

OIL CONSERVATION DIVISION

August 17, 1995

Texaco Exploration & Production, Inc.
P.O. Box 730
Hobbs, New Mexico 88241-0730

Attn: Ms. Darlene de Aragao

**RE: *Injection Pressure Increase West Dollarhide Drinkard
Unit Waterflood Project, Lea County, New Mexico***

Dear Ms. de Aragao:

Reference is made to your request dated July 27, 1995 to increase the surface injection pressure on 12 wells in the above referenced project. This request is based on step rate tests conducted on these wells between December 5, 1994 and July 18, 1995. The results of the tests have been reviewed by my staff and we feel an increase in injection pressure on several wells is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following wells:

| Well and Location | Maximum Surface Injection Pressure |
|--|------------------------------------|
| West Dollarhide Drinkard Unit Well No.36 Unit Letter O, Section 29, Township 24 South, Range 38 East | 1435 PSIG |
| West Dollarhide Drinkard Unit Well No.130 Unit Letter G, Section 32, Township 24 South, Range 38 East | 1730 PSIG |
| West Dollarhide Drinkard Unit Well No.139 Unit Letter C, Section 30, Township 24 South, Range 38 East | 1395 PSIG |
| West Dollarhide Drinkard Unit Well No.140 Unit Letter J, Section 32, Township 24 South, Range 38 East | 1595 PSIG |
| West Dollarhide Drinkard Unit Well No.146 Unit Letter C, Section 32, Township 24 South, Range 38 East | 1378 PSIG |
| West Dollarhide Drinkard Unit Well No.151 Unit Letter B, Section 5, Township 25 South, Range 38 East | 1409 PSIG |
| West Dollarhide Drinkard Unit Well No.152 Unit Letter M, Section 29, Township 24 South, Range 38 East | 1325 PSIG |

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

One well included in your request is on record for a maximum permitted surface injection pressure in excess of the requested increase. This well, along with the currently permitted pressure is as follows:

| Well and Location | Maximum Surface Injection Pressure |
|---|------------------------------------|
| West Dollarhide Drinkard Unit Well No.46 Unit Letter A, Section 31, Township 24 South, Range 38 East | 1666 PSIG |

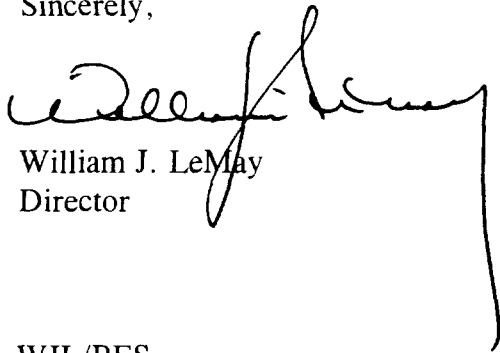
Based on the data provided with your request, the following wells do not qualify for an injection pressure increase at this time:

| Well and Location | Maximum Surface Injection Pressure |
|--|---|
| West Dollarhide Drinkard Unit Well No.15 Unit Letter A, Section 30, Township 24 South, Range 38 East | 1300 PSIG |
| West Dollarhide Drinkard Unit Well No.88 Unit Letter A, Section 5, Township 25 South, Range 38 East | 1413 PSIG* (Current permitted Injection Pressure on record is greater than indicated in this request.) |
| West Dollarhide Drinkard Unit Well No.120 Unit Letter F, Section 32, Township 24 South, Range 38 East | 1550 PSIG |
| West Dollarhide Drinkard Unit Well No.150 Unit Letter P, Section 31, Township 24 South, Range 38 East | 1300 PSIG |
| All wells located in Lea County, New Mexico. | |

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If additional data is provided which may justify an injection pressure increase on these wells, a subsequent request for such can be considered at that time.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long vertical line extending downwards from the end of the signature.

William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Hobbs
Files: WFXs-608, 621, 646, 654, 669; PSI-X 3rd QTR 95; Case File No.4134

