October 31, 1997

The Wiser Oil Company P.O. Drawer 2568 Hobbs, New Mexico 88241-2568

Attn: Ms. Stacey Crawford

RE: Injection Pressure Increase, Maljamar Grayburg Unit Waterflood Project, Eddy County, New Mexico

Dear Ms. Crawford:

Reference is made to your request dated July 16, 1997, and additional data submitted on October 8, 1997, to increase the surface injection pressure on a field-wide group of wells in the above referenced waterflood project. This request is based on 9 step rate tests conducted between May 14 and September 30, 1997. The results of the tests have been reviewed by my staff. Injection pressure increases on two wells which were tested, the MGBU Nos.8 and 15 and adjacent wells to be affected, well numbers 4, 152 and 154, are hereby <u>denied</u> due to questionable test results. At this time, we feel an increase in injection pressure on the remaining 7 wells with recent tests, 7 adjacent wells affected by these tests, and 4 wells to be affected by previous test data should be <u>approved</u>.

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

Recently Tested Well	Adjacent Well Name and	Section 4	Authorized
Name and Number	Number	ULSTR	Pressure
MGBU Well No.20		J-4-17S-32E	2130 PSIG
	MGBU Well No.17	G-4-17S-32E	2290 PSIG
	MGBU Well No.27	O-4-17S-32E	2290 PSIG
MGBU Well No.28		P-4-17S-32E	2430 PSIG
	MGBU Well No.10	M-5-17S-32E	2290 PSIG
	MGBU Well No.19	I-4-17S-32E	2290 PSIG
MGBU Well No.18		H-4-17S-32E	2430 PSIG
MGBU Well No.21		K-4-17S-32E	2250 PSIG
MGBU Well No.153		N-4-17S-32E	2205 PSIG

Note: The mean injection pressure of all Section 4 step rate tested wells (2290 psig) was used to apply to all adjacent Section 4 (Well No.10 in Section 5) wells.

Further, the following 3 adjacent wells located in Section 10 are hereby approved for injection pressure increases based on recent step rate tests on 2 wells:

Recently Tested Well Name and Number	Adjacent Well Name and Number		Authorized Pressure
MGBU Well No.51		C-10-17S-32E	2110 PSIG
	MGBU Well No.151	B-10-17S-32E	2110 PSIG
MGBU Well No.53		E-10-17S-32E	1900 PSIG
	MGBU Well No.155	F-10-17S-32E	1900 PSIG
	MGBU Well No.59	K-10-17S-32E	1900 PSIG

Additionally, the following 4 adjacent wells located in Section 3 are hereby approved for injection pressure increases based on previous step rate test results obtained on 2 wells:

Previously Tested Well Name and Number	Adjacent Well Name and Number	Section 3 ULSTR	Authorized Pressure
MGBU Well No.6		I-3-17S-32E	1594 PSIG
	MGBU Well No.5	H-13-17S-32E	1594 PSIG
	MGBU Well No.13	P-3-17S-32E	1594 PSIG
MGBU Well No.150		J-3-17S-32E	1713 PSIG
	MGBU Well No.11	N-3-17S-32E	1713 PSIG
	MGBU Well No.12	O-3-17S-32E	1713 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.

Sincerely,

William J. LeMay

Director

VJL/BES

e: Oil Conservation Division - Artesia

File: Case File No3507; WFXs-650 and 677; PSI-X 2ndQTR 98