

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 13, 1991

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Attention: Brian Collins

Re: Amendment of Division Order No. SWD-414

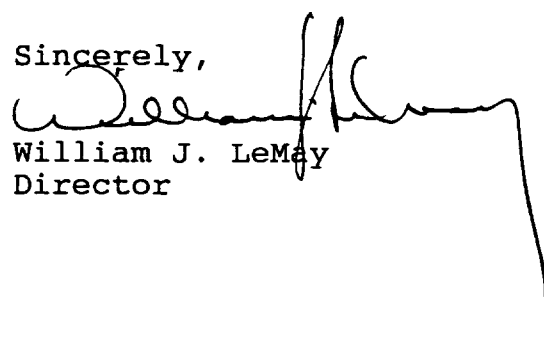
Dear Mr. Collins:

Reference is made to your request dated July 3, 1991, to amend Division Order No. SWD-414 dated April 18, 1991, which order authorized the use of the Eddy "GR" State Well No. 1 located in Unit E of Section 16, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, as a disposal well, injection to occur into the Delaware formation from approximately 3400 feet to 3494 feet. It is our understanding that you wish to expand the injection interval within the Delaware formation to include perforations from approximately 2892 feet to 3194 feet.

You are hereby authorized to expand the injection interval in the subject well to include perforations from approximately 2892 feet to 3194 feet subject to the following conditions:

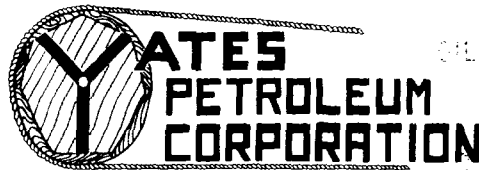
- 1) The maximum surface injection pressure for the subject well shall be 578 psi;
- 2) The packer shall be set at approximately 2800 feet;
- 3) All other provisions contained within Division Order No. SWD-414 shall remain in full force and effect.

Sincerely,


William J. LeMay
Director

xc: OCD-Artesia
File-SWD-414 ✓
R. Brown

MARTIN YATES, III
1912-1985
FRANK W. YATES
1936-1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

OIL CONSERVATION DIVISION
RECEIVED
JUL 3 1991
P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
DEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

July 3, 1991

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

ATTN: Mr. David Catanach

RE: Amended Administrative Order No. SWD-414
Yates Eddy "GR" State Well No. 1
Unit E, Section 16, T23S, R28E, Eddy County

Dear Mr. Catanach:

Yates Petroleum Corporation respectfully requests that the captioned SWD Order be amended to include additional Delaware Sand injection intervals from 3160'-3194', 2970'-3000' and 2892'-2908'. Because work was in progress on the well, and the permitted interval 3400'-3494' had insufficient injectivity, Mr. Mike Williams granted verbal approval to add perforations from 2892'-3194' to the proposed injection interval.

Mr. Williams also granted verbal approval to perforate the Delaware from 2636' to 2816' under the condition that the surface injection pressure could never be increased above 0.2 psi/ft (527 psi) during the life of the well. Mr. Williams cited concerns about the vertical proximity of the base of the salt (approx. 2300') to the proposed top perforation (2636') as the reason for the condition described above. Mr. Williams had no such reservations with the proposed perforations from 2892' to 3194', therefore we decided not to perforate the interval from 2636' to 2816'.

As there are no other wells within the area of review, Mr. Michael Stogner suggested handling this matter with this letter. Summarized below are the differences between the original SWD order and the amended SWD order. A revised wellbore schematic and a copy of the original C-108 SWD application are attached.

Mr. David Catanach
July 3, 1991
-2-

	<u>Original Order</u>	<u>Amended Order</u>
Formation	Delaware	Delaware
Injection Intervals	3400'-3430' 3446'-3494'	2892'-2908' 2970'-3000' 3160'-3194' 3400'-3430' 3446'-3494'
Packer Depth	3300'	2800'
Tubing	2 7/8" or 3 1/2" plastic lined	2 7/8" or 3 1/2" plastic lined
Wellhead Pressure Limit	680 psi	578 psi

Please contact me at 748-1471 if you have any questions.

Sincerely,



Brian Collins

Attachment

xc: Mr. Mike Williams - Artesia

ATTACHMENT A

Revised

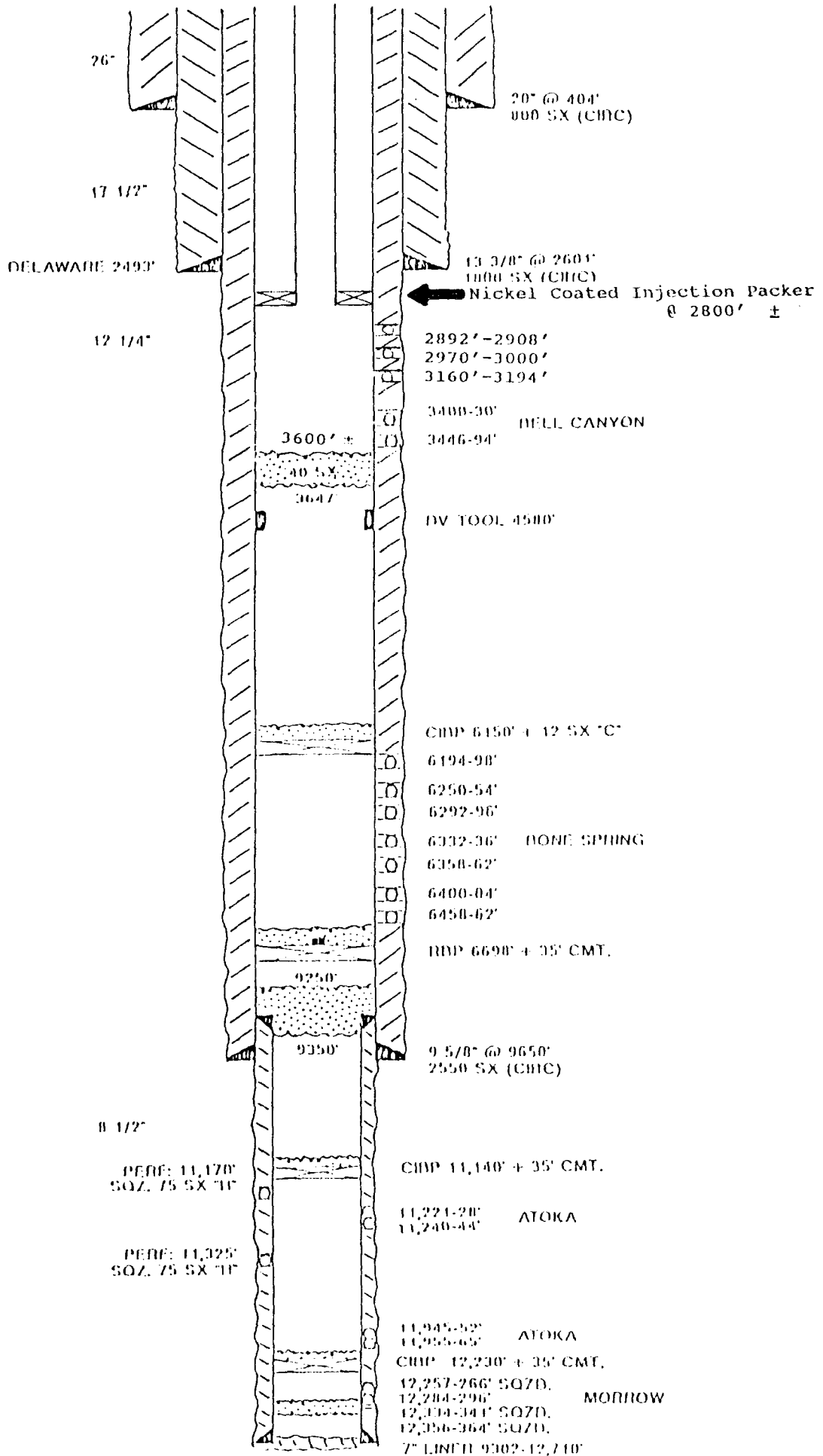
YATES PETROLEUM CORPORATION

EDDY GR STATE #1

E - 16 - 23S - 28E

2230' FNL & 660' FWL

EDDY CO., NEW MEXICO



-SKETCH NOT TO SCALE-