



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
 OIL CONSERVATION DIVISION



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 GOVERNOR

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June 13, 1994

Pyramid Energy, Inc.
 10101 Reunion Place
 One Union Square, Suite 210
 San Antonio, Texas 78216-4156

Attention: Scott Graef

Dear Mr. Graef:

Reference is made to your request dated April 29, 1994, to increase the surface injection pressure on six wells within the East Pearl Queen Unit Waterflood Project. This request is based upon fracture data contained within your request.

The data has been analyzed by my staff and we feel an increase in injection pressure on these wells is justified at this time. You are therefore authorized to increase the surface injection pressure on the following described wells:

<u>WELL & LOCATION</u>	<u>MAXIMUM SURFACE INJECTION PRESSURE</u>
East Pearl Queen Unit No. 23 Unit G, 28-19S-35E	1800 PSIG
East Pearl Queen Unit No. 25 Unit E, 27-19S-35E	1800 PSIG
East Pearl Queen Unit No. 34 Unit I, 28-19S-35E	1800 PSIG
East Pearl Queen Unit No. 35 Unit M, 27-19S-35E	1800 PSIG
East Pearl Queen Unit No. 41 Unit C, 34-19S-35E	1800 PSIG
East Pearl Queen Unit No. 43 Unit E, 34-19S-35E	1800 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

xc: Case No. 2851, OCD-Hobbs,
 D. Catanach, R. Brown