



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

May 30, 2006

Occidental Permian Ltd.
P.O. Box 4294
Houston, Texas 77210-4294

Attention: Mr. Mark Stephens

Re: Request for Activation of Injection Status
North Hobbs Grayburg San Andres Unit Well No. 441
API No. 30-025-12732
330' FSL & 330' FEL (Unit P)
Section 13, T-18S, R-37E, NMPM,
Lea County, New Mexico

Dear Mr. Stephens:

The Division has received and reviewed your request dated May 11, 2006 to activate the North Hobbs Grayburg San Andres Unit ("NHGSAU") Well No. 441 as an injection well within the NHGSAU Pressure Maintenance Project.

By Order No. R-6199-B dated October 22, 2001, the Division authorized Occidental Permian Ltd. to implement a tertiary recovery injection project within the NHGSAU Pressure Maintenance Project by the injection of water, CO₂ and produced gas into the Grayburg and San Andres formations, Hobbs Grayburg-San Andres Pool. The order further approved sixty (60) wells to be utilized for injection, including thirty-six (36) existing wells that were to be converted to injection at a later time. It is our understanding that the NHGSAU Well No. 441, will now be converted from a producing well to an injection well.

Pursuant to Division Order No. R-6199-B, the NHGSAU Well No. 441 has already been permitted for injection. Occidental Permian, Ltd. is therefore authorized to convert this well to injection and commence injection operations into the NHGSAU Well No. 441.

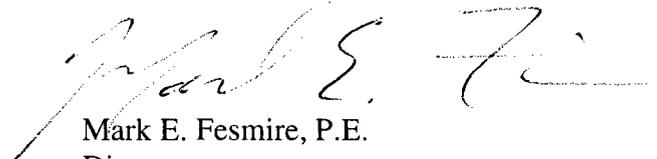
Injection and operation of this well shall be in conformance with all provisions contained within Division Order No. R-6199-B.

Injection into the NHGSAU Well No. 441 shall be through the perforated and open-hole interval from approximately 4,050 feet to 4,558 feet through 2 7/8-inch fiberglass-lined tubing installed in a packer located at a depth of approximately 3,950 feet.

In accordance with the provisions of R-6199-B, the NHGSAU Well No. 441 is authorized to inject water, CO₂ and produced gas into the Grayburg-San Andres formation at the following-described surface injection pressures:

Water	1100 psi
CO ₂	1250 psi
Produced Gas	1770 psi

Sincerely,



Mark E. Fesmire, P.E.
Director

Xc: OCD-Hobbs
Case File-12722