



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

12666

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

August 26, 2003

**Lori Wrotenbery**  
Director

**Oil Conservation Division**

Texland Petroleum-Hobbs, L.L.C.  
c/o Mr. William F. Carr  
Holland & Hart L.L.P.  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208

Attention: Mr. William F. Carr

Re: Extension of Injection Provisions  
Division Order No. R-11638

Dear Mr. Carr:

As per your request dated August 19, 2003, and for the reasons outlined in your letter, a one-year extension of time in which to convert the wells shown on Exhibit "A" to injection within the Hobbs Upper Blinbry Cooperative Waterflood Project, approved by Division Order No. R-11638 dated August 20, 2001, is hereby granted.

The injection authority for these wells shall expire on August 20, 2004 if the operator has not commenced injection operations.

Please be advised that no further extensions of Division Order No. R-11638 will be granted. Should Texland Petroleum-Hobbs L.L.P. or a successor operator wish to implement waterflood operations after August 20, 2004, it will be necessary to appear before a Division examiner to renew this waterflood permit.

Sincerely,

*Lori Wrotenbery*  
Lori Wrotenbery  
Director

Xc: OCD-Hobbs  
Case File-12666 ✓

Exhibit "A"  
Division Order No. R-11638  
Hobbs Upper Blinbry Cooperative Waterflood Project  
Approved Injection Wells

Well Name & Number	API Number	Well Location	Injection Interval	Packer Depth
State "A" No. 9	N/A	215' FNL & 150' FEL, Unit A, Section 32, T-18S, R-38E	5700'-6100'	5,600'
Bowers "A" Federal No. 41	N/A	1310' FSL & 1400' FEL, Unit O, Section 30, T-18S, R-38E	5,700'-6,100'	5,600'
State "A-29" No. 10	N/A	110' FSL & 1490' FWL, Unit N, Section 29, T-18S, R-38E	5,700'-6,100'	5,600'
State "A" No. 8	N/A	1250' FNL & 1250' FEL, Unit A, Section 32, T-18S, R-38E	5,700'-6,100'	5,600'
State "I-29" No. 9	N/A	1080' FSL & 1300' FEL, Unit P, Section 29, T-18S, R-38E	5,700'-6,100'	5,600'
W. D. Grimes NCT-A No. 22	N/A	1300' FNL & 2560' FWL, Unit C, Section 32, T-18S, R-38E	5,700'-6,100'	5,600'
W. D. Grimes NCT-A No. 24	N/A	150' FNL & 290' FWL, Unit D, Section 32, T-18S, R-38E	5,700'-6,100'	5,600'
Bowers "A" Federal No. 40	N/A	2440' FNL & 195' FWL, Unit E, Section 29, T-18S, R-38E	5,700'-6,100'	5,600'
W. D. Grimes NCT-A No. 25	N/A	140' FNL & 2550' FWL, Unit C, Section 32, T-18S, R-38E	5,700'-6,100'	5,600'
State "I-29" No. 7	N/A	140' FSL & 1200' FEL, Unit P, Section 29, T-18S, R-38E	5,700'-6,100'	5,600'
W. D. Grimes NCT-A No. 21	N/A	1090' FNL & 1370' FWL, Unit C, Section 32, T-18S, R-38E	5,700'-6,100'	5,600'
W. D. Grimes NCT-A No. 23	N/A	2370' FNL & 2325' FWL, Unit F, Section 32, T-18S, R-38E	5,700'-6,100'	5,600'
Bowers "A" Federal No. 42	N/A	1290' FSL & 170' FWL, Unit M, Section 29, T-18S, R-38E	5,700'-6,100'	5,600'
Bowers "A" Federal No. 43	N/A	1378' FSL & 1155' FWL, Unit L, Section 29, T-18S, R-38E	5,700'-6,100'	5,600'
Bowers "A" Federal No. 39	N/A	2505' FSL & 1415' FEL, Unit J, Section 30, T-18S, R-38E	5,700'-6,100'	5,600'

HOLLAND & HART<sup>LLP</sup>  
ATTORNEYS AT LAW

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William F. Carr

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August 19, 2003

**VIA HAND DELIVERY**

**RECEIVED**

AUG 19 2003

Ms. Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Oil Conservation Division

Re: Oil Conservation Division Case No. 12666: Application of Texland Petroleum-Hobbs, L.L.C. for approval of a waterflood project for its Hobbs Upper Blinbry Pool Cooperative Waterflood Area and Qualification of said Project for the Recovered Oil Tax Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

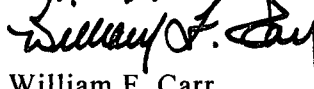
Dear Ms. Wrotenbery::

By Order No. R-11638 dated August 20, 2001, the Division authorized Texland Petroleum-Hobbs L.L.C. to institute a cooperative waterflood project in its Upper Blinbry Pool Cooperative Waterflood Area by injection of water into the Hobbs-Upper Blinbry Pool. Due to problems faced by Enron, a partner in this project, certain funding was unavailable and implementation of the project was delayed. This order was therefore extended by your letter dated August 21, 2002. The authorization to inject pursuant to the order, as extended, will terminate on August 20, 2003. Order Paragraph (15) provides that the injection authority granted by this order may be extended by the Division for good cause shown upon written request by the operator.

Texland Petroleum-Hobbs L.L.C. is proceeding with this waterflood project and has now drilled three of the approved injection wells (State "I-29" No. 9, Bowers "A" Federal No. 42 and Bowers "A" Federal No. 43) and has obtained permits to drill four more injection wells (State "A" No. 9, Bowers "A" Federal No. 41, Bowers "A" Federal No. 42 and the Bowers "A" Federal No. 43). Texland therefore requests that the Division extend Order No. R-11638 for an additional year to enable Texland to drill wells approved by this order.

Your attention to this matter is appreciated.

Very truly yours,



William F. Carr

cc: Jim Wilkes  
Texland Petroleum-Hobbs, L.L.C.