



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

May 8, 2001

Shahara Oil, LLC
207 West McKay
Carlsbad, New Mexico 88220

Attn: Mr. Perry L. Hughes

**RE: Injection Pressure Increase,
Premier Sand Unit EOR Project,
Eddy County, New Mexico**


Reference is made to your request dated February 28, 2001 to increase the surface injection pressure on three wells in the above-referenced EOR project. This request is based on a step rate test conducted on February 19, 2001. The results of the test have been reviewed 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 wells:

Recently Tested Well Name and Number	Adjacent Well Name and Number	ULSTR	Authorized Pressure
Premier Sand Unit No. 11		D-27-17S-30E	1525 PSIG
	Premier Sand Unit No. 6	E-27-17S-30E	1525 PSIG
	Premier Sand Unit No. 12	D-27-17S-30E	1525 PSIG
All wells located in Eddy County, New Mexico.			

The Division Director may rescind these injection pressure increases if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,


Lori Wrotenbery
Director

LW/DRC

cc: Oil Conservation Division - Artesia
Files: Case No. 12440, WFX-767; IPI 2001