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November 8, 1999

State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: Expansion of Pressure Maintenance Project
North Hobbs (Grayburg/San Andres) Unit
Hobbs; Grayburg – San Andres Pool
Well No. 112
Lot 1, Section 30, T-18-S, R-38-E
Lea County, NM

Gentlemen:

Altura Energy LTD respectfully requests administrative approval for expansion of the subject pressure maintenance project by converting North Hobbs (G/SA) Unit Well No. 112 from production to water injection. Administrative Order No. R-6199 granted November 30, 1979, authorized Shell Western E&P Inc. (Altura's predecessor) to conduct the North Hobbs (G/SA) Unit pressure maintenance project within the Hobbs; Grayburg -- San Andres Pool.

The following data is submitted in support of this request:

- Form C-108 with miscellaneous data attached
- Form C-102
- A map reflecting the location of the proposed injection well (No. 112). The map identifies all wells located within a two-mile radius of the proposed injector and has a one-half mile radius circle drawn around the proposed injection well which identifies the well's Area of Review.
- An injection well data sheet
- A tabulation of data on all wells of public record within the well's Area of Review
- Schematics of plugged wells that are within the well's Area of Review



- A list of Offset Operators and Surface Owners (these parties have been notified of this application by certified mail)
- An Affidavit of Publication and copy of the legal advertisement that was published in the county in which the well is located.

Your favorable consideration of our request will be appreciated. If you have any questions of a technical nature, please call David Nelson at (505) 397-8211. Otherwise, please call me at (281) 552-1158.

Very truly yours,

A handwritten signature in cursive script that reads "Mark Stephens".

Mark Stephens
Business Analyst (SG)

CC: Oil Conservation Division
Hobbs District Office
P.O. Box 1980
Hobbs, NM 88241

State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

Offset Operators (see attached list)

Surface Owners (see attached list)