

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Gerasimos Razatos, Division Director (Acting)
Oil Conservation Division



Melanie A. Kenderdine
Cabinet Secretary-Designate

Benjamine Shelton
Deputy Secretary (Acting)

Ben Stone
SOS Consulting, LLC
Agent for Spur Energy Partners, LLC
ben@sosconsulting.us

RE: Injection Pressure Increase; Order IPI-549
B&B 22 No.1 SWD (30-015-28430)
Pool: SWD; Cisco-Canyon
Eddy County, New Mexico

Ben Stone:

Reference is made to your request on behalf of Spur Energy Partners, LLC (OGRID 328947); the “operator”) for the application received on May 30,2024, to increase the maximum surface injection pressure (“MSIP”) based on Step Rate Test (SRT) results of stratigraphically corelated offsetting wells (Osage, Lakewood Farms, and Secrest SWD). Based on the SRT results of the quoted offsetting wells, the operator is requesting a gradient of 0.256 psi/ft of the Lakewood farms well which is the lowest of the 3-injection increase gradient approved for the above quoted wells.

Well No.	API Number	UL-S-T-R	Injection Authority	Existing MSIP Limit (psi)	Existing Tubing OD (in)
B&B 22 No.1 SWD	30-015-28430	B-22-19S-25E	SWD-1718	1531	3.5

It is the Oil Conservation Division’s (“OCD”) understanding that the requested pressure increase is needed to increase the rate of injection and this pressure increase will not result in:

1. the fracturing of the permitted disposal interval;
2. the fracturing of either the upper or lower confining strata; or
3. induced-seismic events as a consequence of the higher injection pressure.

Administrative Order IPI-549
Spur Energy Partners, LLC

Page 2 of 2

Based on the SRT results of stratigraphically correlated offsetting wells (Osage, Lakewood Farms, and Secrest SWD) and considering the wellhead pressure rating of the well, the following shall be the new pressure limit for subject well listed below while equipped with **injection** tubing:

Well No.	Step Rate Test Base on:	New MSIP Limit (psi)	While injecting	Injection Interval (ft)	Pressure Gradient (psi/ft)
B&B 22 No.1 SWD	30-015-28430	(1960.7 psi -10% *) = 1764.6 psi	SG=1.187	7659-7790	0.256

*10% safety factor

This approval is based on the provision that the tubing size, packer setting depth and completion interval for the well does not change and all provisions in IPI-549 are adhered. Any future requested pressure increase will require resubmission of additional data and/or a new step-rate test. The Director retains the right to require, at any time, wireline verification of completion and packer setting depths in the well. This approval is subject to your being in compliance with all other OCD rules including, but not limited to, Rule 19.15.5.9 NMAC.

The Director may rescind any injection pressure increase permit if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval, impacts correlative rights, is endangering any freshwater aquifer or endangers public health and safety.

Sincerely,



Date: 7/24/2024

Gerasimos Razatos
DIVISION DIRECTOR (Acting)
GR/mgm

cc: Oil Conservation Division – Santa Fe Office
Order IPI-549
Well file 30-015-28430

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 368037

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 368037
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
mgebremichael	None	7/29/2024