

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name _____

Signature _____

Title _____

Date _____

 e-mail Address



EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3600

August 11, 2004

New Mexico Oil Conservation Division
Attn: David Catanach
1220 South St. Francis
Santa Fe, NM 87504

RECEIVED

AUG 13 2004

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

Re: Request for Injection Pressure Increase
Hat Mesa State 10
30-025-30534
32-T20S-R33E, Lea Co.

Mr. Catanach,

EOG Resources, Inc. requests an increase in injection pressure to 1400 psi for our Hat Mesa State 10 SWD located in Lea County.

Enclosed is a step rate injection test for your review. If additional information is needed, please contact me at 432 686 3689.

Sincerely,

EOG RESOURCES, INC.

Stan Wagner
Regulatory Analyst

BEACON RESOURCES, L.L.C.

Step Rate Test

Company: BOG Resources			Company Representative: Dirk Ellyson		
Lease: Hat Mesa State #10 SWD			Test Date & Time: 17-Jun-04		
State: New Mexico		County: Lee	Elevation:		
Formation:		Unit:	32		
Township: 20S		Range: 33E			
Test Crew:					
TD @			PBD @ 6505'		
Packer Set @ 5287			Ft		
Casing Size: 5 1/2			Casing Weight: 17#		
Casing Diameter:			Casing Set @ 6505		
Tubing Size: 2 7/8" P.C.			Tubing Weight:		
Tubing Diameter:			Tubing Set @ 5287		
Perforations from: 5310			Ft. To: 5374		
Time	Elapsed Time	Tubing Pressure	Tubing Pressure Less Friction	BHP	Rate BPD
2:45		260			0
2:50		610			560
2:55		750			560
3:00	15	815			560
3:05		960			720
3:10		1010			720
3:15	30	1070			720
3:20		1250			960
3:25		1300			960
3:30	45	1370			960
3:35		1400			1270
3:40		1410			1270
3:45	60	1420			1270
3:50		1440			1680
3:55		1450			1680
4:00	75	1460			1680
4:05		1490			2040
4:10		1500			2040
4:15	90	1510			2040
Test Conducted By: David Bump					

Beacon Resources, L.L.C.
4401 N I-35, Ste. 109
Denton, Tx 76207

Office: 940-387-3838

Fax: 940-387-3423

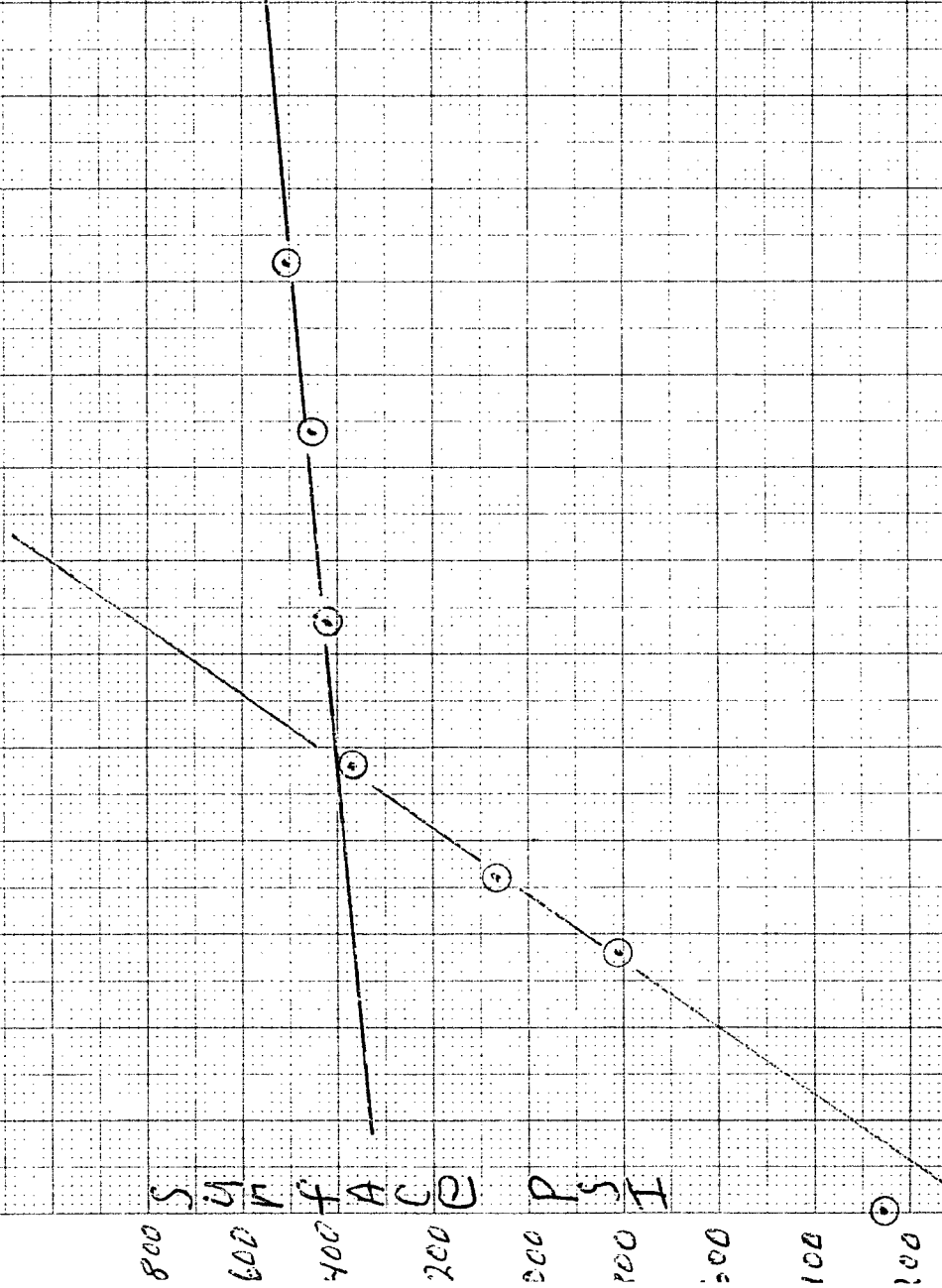
EOG Resources
 HAT MESA ST. #10 SWD
 6-17-04

800 S
 600 W
 400 F
 200 A
 200 C
 200 P
 100 S
 100 I

B P D

200 400 600 800 1000 1200 1400 1600 1800 2000 2200

Parting Point Appears
 To Be 1400 PSI.





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ADMINISTRATIVE ORDER SWD-509

APPLICATION OF MERIDIAN OIL, INC. FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Meridian Oil, Inc. made application to the New Mexico Oil Conservation Division on March 17, 1993, for permission to complete for salt water disposal its Hat Mesa State Well No. 10 located 1980 feet from the North line and 1420 feet from the West line (Unit F) of Section 32, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, Meridian Oil, Inc. is hereby authorized to complete its Hat Mesa State Well No. 10 located 1980 feet from the North line and 1420 feet from the West line (Unit F) of Section 32, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Cherry Canyon formation at approximately 5310 feet to 5574 feet through 2 7/8-inch plastic-lined tubing set in a packer located at approximately 5300 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1062 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Cherry Canyon formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

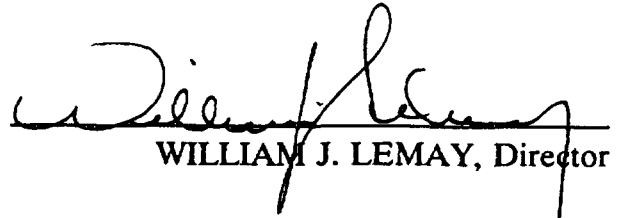
The operator shall submit monthly reports of the disposal operations in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject

Administrative Order SWD-509
Meridian Oil, Inc.
April 14, 1993
Page 3

well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 14th day of April, 1993.


WILLIAM J. LEMAY, Director

WJL/BES/amg

xc: Oil Conservation Division - Hobbs
NM State Land Office - Oil and Gas Division (Pete Martinez)