

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order IPI-479
January 20, 2015

Mr. Jeff Harvard
Harvard Petroleum Company, LLC
P.O. Box 936
Roswell, NM 88202

RE: Injection Pressure Increase

Injection Authority: Amended Administrative Order SWD-486
Pool: SWD; Delaware (Pool code: 96100)
James Federal No. 1 API 30-025-31515
Unit O, Sec 29, T23S, R32E, NMPM, Lea County, New Mexico

Dear Mr. Harvard:

Reference is made to your request on behalf of Harvard Petroleum Company, LLC (OGRID 10155) received by the Division on January 13, 2015, to increase the maximum allowed surface tubing pressure on the above named well.

This well was permitted by the Division for disposal of produced water through open hole in the Delaware formation (the Bell Canyon formation of the Delaware Mountain group) by Amended Order SWD-486 approved August 25, 1994. The maximum surface tubing pressure approved by the administrative order was 969 pounds per square inch (psi).

It is our understanding that this well will not take a sufficient volume of fluid at the current pressure limit and a higher pressure limit is needed. It is also understood that an increase will not result in the fracturing of the formation and confining strata.

Based on a step-rate test for this well conducted October 21, 2014, through 2 3/8-inch tubing, you are hereby authorized to inject at the following maximum surface tubing pressure:

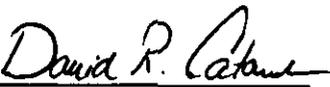
James Federal Well No. 1 API 30-025-31515 2260 psi

This approval is based on the provision that the tubing size, packer setting depth and completion interval for this well does not change. Any future requested pressure increase will require resubmission of additional data and a new step-rate test. The Division Director retains the right to require at any time

wireline verification of completion and packer setting depths in this well. This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

The Division Director may rescind this permitted injection pressure increase if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval or is endangering any fresh water aquifer.

Sincerely,



DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
Well File 30-025-31515