

State of New Mexico  
Energy, Minerals and Natural Resources Department

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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-488  
May 15, 2015

Ms. Shelly Bilberry  
J. Cleo Thompson & James Cleo Thompson, JR., LP  
P. O. Box 12577  
Odessa, TX 79768

**RE: Injection Pressure Increase**

Injection Permit: Administrative Order SWD-1215  
Pool: SWD; San Andres-Glorieta-Paddock-Blinbry (Pool code: 96123)  
JCT 24 Federal Well No. 1                      API 30-025-38569  
Unit A, Sec 24, T9S, R37E, NMPM, Lea County, New Mexico

Dear Ms. Bilberry:

Reference is made to your request on behalf of J. Cleo Thompson & James Cleo Thompson, JR., LP (OGRID 11181) received by the Division on August 12, 2014, to increase the maximum allowed surface tubing pressure on the above named well.

This well was authorized by the Division for disposal of produce water through open hole (5145 feet to 5500 feet) and perforations (5552 feet to 6164 feet) in the lower San Andres, Glorieta, Paddock and Blinbry formations by Administrative Order No. SWD-1215 approved April 13, 2010. The well has an approved maximum surface tubing pressure of 1029 psi.

It is our understanding that the operator proposes to increase the volume of disposal fluid for this well and consequently, 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 July 23, 2014, through 2 3/8-inch tubing, you are hereby authorized to inject at the following maximum surface tubing pressure:

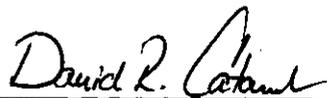
**JCT 24 Federal Well No. 1                                      API 30-025-38569                                      2465 psi**

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  
SWD-1215 file  
Well File 30-025-38569