DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
6/25/07	6/25/07	DLC	7/6/07	IPI	pDLC0718729758

ABOVE THIS LINE FOR DIVISION USE ONLY

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

283

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

1079

e-mail Address

REAGAN SMITH
ENERGY SOLUTIONS, INC.
Perfecting the Efficient Development of Natural Resources

June 22, 2007

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: David Catanach

RE: Apollo Energy, L.P.
Step-Rate Injection Test, Russell USA #60
Russell USA Field, New Mexico

Dear Mr. Catanach:

Apollo Energy, L.P. has submitted an Application for Authorization to Inject to re-instate the waterflood in the Russell USA Field, 13-T20S-28E, Eddy Co. A requirement for this re-statement was to perform a step-rate injection test to determine the injection rate and the resulting pressure of injection. A field test was performed on the Russell USA #60 on June 6, 2007. Attached is the field testing data and a graph depicting the relationship between injection rate and pressure.

On behalf of Apollo Energy, L.P., Reagan Smith Energy Solutions is requesting the Oil Conservation Division to allow Apollo Energy to inject this injection well and any future injection wells at a rate of 1.0 barrel per minute (BPM) with a resulting pressure of 420 psi.

Please fax the approval to our office at (405) 848-2712 and send us the original using our letterhead address. Please call with any question. Your help in this matter is greatly appreciated.

2630 FNL & 1980 FWL
30015-10420

Sincerely,

Scott St. John
For Apollo Energy, L.P.

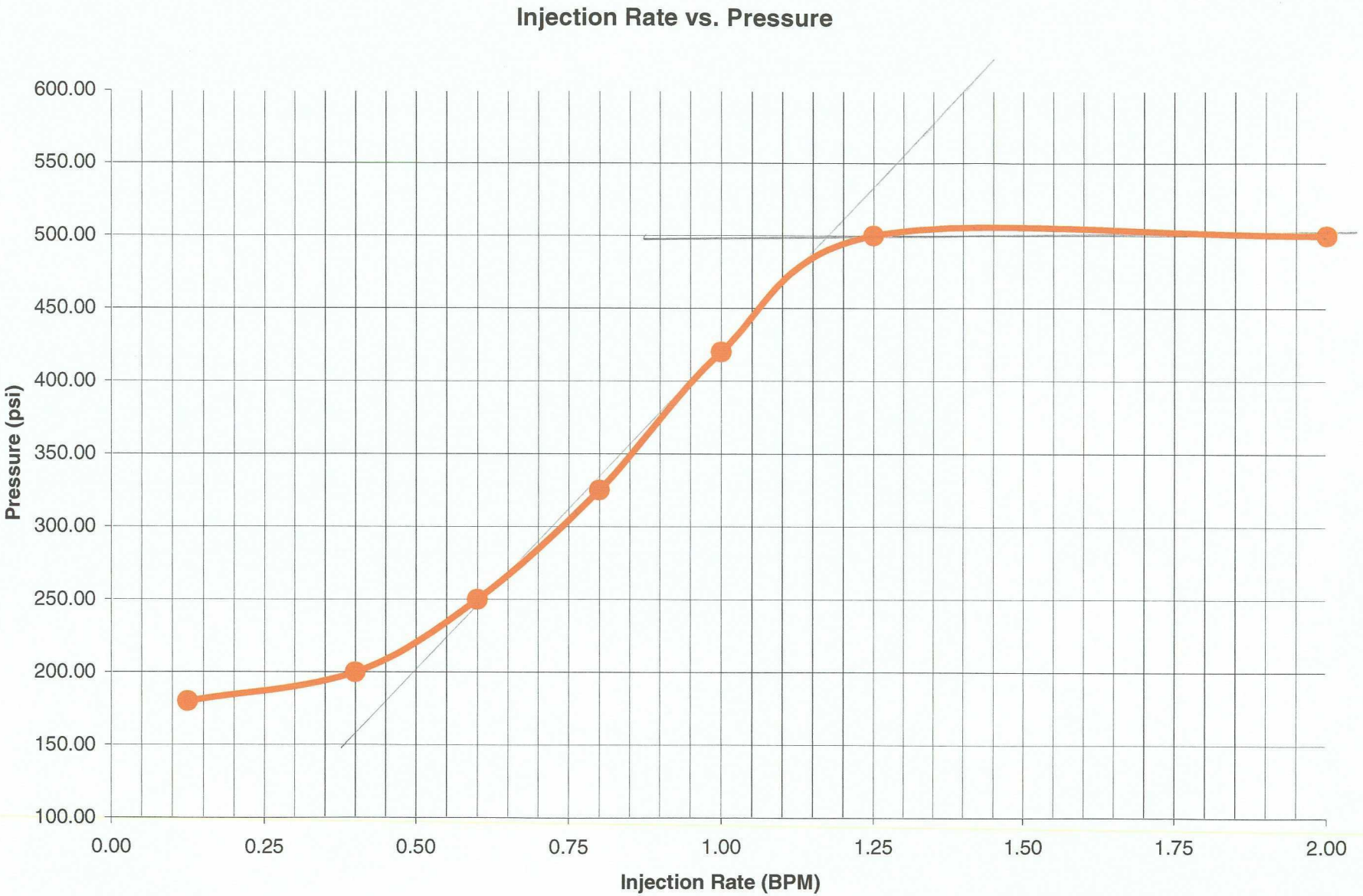
Enclosure:

2525 N.W. Expressway, Suite 312 • Oklahoma City, OK 73112
(405) 286-9326 • Fax: (405) 848-2712 • www.rsenergysolutions.com

REAGAN SMITH
ENERGY SOLUTIONS, INC.

Field Test Data	
Barrels Per Minute (BPM)	**Pressure (psi)**
X	Y
0.125	180
0.400	200
0.600	250
0.800	325
1.000	420
1.250	500
2.000	500
3.000	500

Note: At 500 psi fracturing ensued, desired max pressure is 420 psi (1 BPM)
Testing witnessed by Gerry Guye - Phone (505)-748-1283 ext 105, Cell (505) -626-0843


Injection Rate vs. Pressure
600.00
550.00
500.00
450.00
400.00
350.00
300.00
250.00
200.00
150.00
100.00
Pressure (psi)
0.00
0.25
0.50
0.75
1.00
1.25
1.50
1.75
2.00
Injection Rate (BPM)