New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

Administrative Order IPI-311
January 21, 2009

Maralex Disposal, LLC
PO Box 338
Ignacio, CO 81137

Attention: D. Jeremy Golob, P.E.

RE: **Injection Pressure Increase Request**
Centerpoint SWD Well No. 1 (API No. 30-045-33464)
Unit P, Sec 24, Township 31 North, Range 11 West, NMPM, San Juan County
SWD; Mesaverde Pool (Morrison, Bluff and Entrada formations)

Reference is made to your request on behalf of Maralex Disposal, LLC (OGRID 193838) received January 9, 2009, to increase the surface injection pressure limit on the above named well.

This well was last approved by the Division for injection into perforations from 7200 feet to 7832 feet with Administrative Order SWD-1005 and given a maximum surface injection pressure of 1420 psi.

It is our understanding that this well will not take a sufficient volume of water at this pressure limit and a higher pressure limit is needed to handle water disposal needs in this area.

The granting of this pressure increase is based on the injection step rate test run on this well in December of 2008. The results of the step rate test show that an increase in the surface injection pressure for this well is justified and will not result in the fracturing of the injection formation and confining strata.

You are hereby authorized to utilize up to the following maximum surface injection pressure on this well provided the tubing, size, type, and setting depth does not change.

Max Surface Pressure
2000 psi

The operator is responsible for ensuring injected waters do not migrate upward inside or outside of this casing and enter formations above the permitted injection interval.

This approval is subject to your being in compliance with Division Rule 5.9. The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or fresh water aquifers are being endangered.

Sincerely,

Mark E. Fesmire, P.E.
Director

MEF/tw

cc: Oil Conservation Division – Aztec
SWD-1005