New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

Administrative Order IPI-359
February 1, 2010

Buckeye Disposal, L.L.C.
PO Box 2724
Lubbock, TX 79408

Attention: James Millet

RE: Injection Pressure Increase Request
New Mexico "DU" State Well No. 1 (API No. 30-015-24531)
Unit F, Sec 36, Township 22 South, Range 27 East, NMPM,
Eddy County, New Mexico

Reference is made to your request on behalf of Buckeye Disposal, L.L.C. (OGRID 222579) received January 29, 2010, 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 4988 feet to 5620 feet with Administrative Order SWD-539 and given a maximum surface injection pressure of 998 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 basis for granting this pressure increases the injection step rate test run on this well in January 2010. 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
1400 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 rules, including but not limited to 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 – Artesia
SWD-539