



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

December 21, 1994

Yates Drilling Company
105 South 4th Street
Artesia, New Mexico 88210

Attn: Ms. Karen J. Leishman

***RE: Injection Pressure Increase South Loco Hills Unit Waterflood
Project Eddy County, New Mexico***

Dear Ms. Leishman:

Reference is made to your request dated December 12, 1994 to increase the surface injection pressure on one well. This request is based on a step rate tests conducted on December 1, 1994. The results of the test have been reviewed by my staff and we feel an increase in injection pressure on this well is justified at this time.

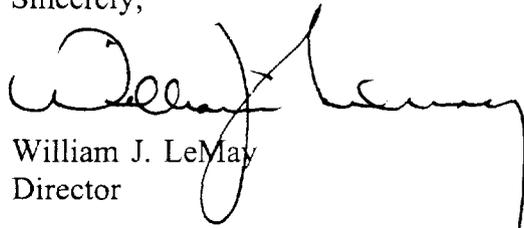
You are therefore authorized to increase the surface injection pressure on the following well:

Well and Location	Maximum Injection Surface Pressure
South Loco Hills Unit 1310' FSL & 130' FEL Unit P, Section 19, Township 18 South, Range 29 East	1125 PSIG
Located in Eddy County, New Mexico.	

Injection Pressure Increase
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The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. LeMay". The signature is written in black ink and is positioned above the typed name and title.

William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Artesia
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