



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

March 7, 1995

Devon Energy Corporation
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Attn: Mr. E.L. Buttross, Jr.

RE: Injection Pressure Increase East Shugart Unit Waterflood Project, Eddy County, New Mexico

Dear Mr. Buttross:

Reference is made to your request dated February 16, 1995 to increase the surface injection pressure on 4 wells in the above referenced waterflood project. This request is based on step rate tests conducted between January 31 and February 3, 1995. The results of the tests have been reviewed by my staff and we feel an increase in injection pressure on these wells is justified at this time.

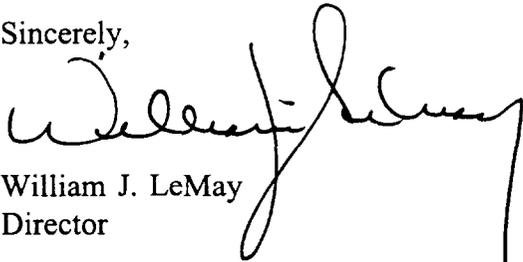
You are therefore authorized to increase the surface injection pressure on the following wells:

Well and Location	Maximum Surface Injection Pressure
East Shugart Unit Well No.2, Unit Letter B	1090 PSIG
East Shugart Unit Well No.33, Unit Letter A	1370 PSIG
East Shugart Unit Well No.41, Unit Letter G	900 PSIG
East Shugart Unit Well No.42, Unit Letter A	1020 PSIG
All wells located Section 34, Township 18 South, Range 31 East, 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 black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long, sweeping underline that extends down towards the "cc:" line.

William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Artesia
Files: WFX-664; PSI-X 1st QTR 95