

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

December 21, 1992

Texaco E & P Inc.
3300 N. Butler
Farmington, New Mexico 87401

Attention: Ted A. Tipton

Dear Mr. Tipton:

We are in receipt of a step rate test conducted on the Texaco E & P Inc. H.J. Loe "B" Federal Well No. 2, a disposal well located in Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. This well, originally permitted for disposal on April 9, 1992 by Division Order No. SWD-472, is currently limited to a maximum surface injection pressure of 650 psi. We have reviewed the step rate test data and have determined that the surface injection pressure on this well should be reduced to a maximum of 500 psi.

If you should have any questions, please contact Mr. David Catanach at (505) 827-5800.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Division Director

xc: OCD-Aztec
File-SWD-472