

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

APPLICATION OF DUKE ENERGY FIELD
SERVICES, LP FOR AN ACID GAS INJECTION
WELL, LEA COUNTY, NEW MEXICO

CASE NO. 13589
Order No. R-12546-B

ORDER OF THE OIL CONSERVATION COMMISSION

BY THE COMMISSION:

THIS MATTER came before the Oil Conservation Commission (the Commission) for hearing on March 13, 2006, and on May 5, 2006, the Commission entered Order No. R-12546, which granted the application of Duke Energy Field Services, LP to inject acid gas into the Lower Bone Springs (Wolfcamp) formation through a well to be drilled 1980 feet from the South and West lines (Unit K) of Section 30, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico.

NOW, on this 2nd day of March, 2007, the Chair of the Commission,

FINDS THAT:

(1) Order No. R-12546 provided, in part, (i) for the commencement of injection operations within one year of the order's effective date of May 5, 2006; (ii) for the termination of the injection authority if the well has not been commenced by May 5, 2007; and (iii) for the extension of the authority by the Division Director for good cause shown.

(2) Duke Energy Field Services, LP, through its counsel, has made written request to the Division Director to extend the time for the commencement of injection operations for one year past the original commencement date.

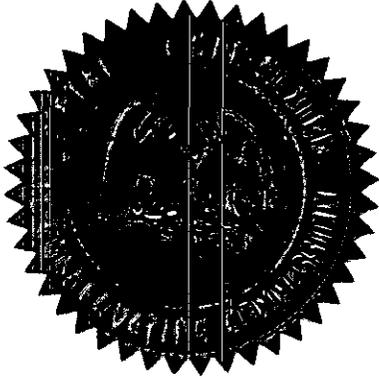
(3) Duke Energy Field Services, LP, has demonstrated in its application good cause for extending the date for the commencement of injection operations, and it should be extended to on or before May 5, 2008.

IT IS THEREFORE ORDERED THAT:

(1) For good cause shown, the commencement date of injection operations into the subject acid gas injection well is hereby extended from May 5, 2007 until on or before May 5, 2008.

(2) Jurisdiction is hereby retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



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STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A handwritten signature in dark ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E., Chair