

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



Administrative Order IPI-512

January 22, 2018

Administrative Application Reference No. pWVJ1727648971

Raz Oil and Gas, LLC
C/o Mr. Danny J. Holcomb
6900 Spring Cherry Lane
Amarillo, TX 79124

RE: Injection Pressure Increase
YO State SWD Well No. 1
SWD;Devonian Pool

Dear Sir:

Reference is made to your request on behalf of Raz Oil and Gas, LLC (OGRID 370507) received on September 11, 2017, to increase the maximum allowed surface tubing pressure on the following well(s):

Well No.	API Number	ULSTR	Order Allowing Injection	Existing Pressure Limit, Psi	Existing Tubing OD, In.
YO State SWD #1	30-025-38162	D-15-21S-35E	SWD-1594-C	2698	Taper(See Diagram)

It is our understanding that the requested pressure increase is needed to increase the rate of injection and this pressure increase will not result in the fracturing of the formation and confining strata.

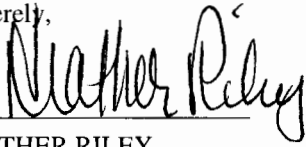
Based on the results of the submitted step rate injection test(s), the following shall be the new pressure limit(s) while equipped with 4-1/2" by 2-7/8" tapered tubing:

Well No.	Step Rate Test Date	New Pressure Limit	While Injecting	Injection Interval, Feet	Pressure Gradient (in psi/ft)
YO State SWD #1	11/6/17	3700	water	13490 to 14347	0.27

This approval is based on the provision that the tubing size, packer setting depth and completion interval for the well(s) does not change. Any future requested pressure increase will require resubmission of additional data and/or a new step-rate test. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in the well(s). This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

The Division Director may rescind any injection permit if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval or is endangering any fresh water aquifer.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Riley", written over a horizontal line.

HEATHER RILEY
Director

DRC/wvjj

cc: Oil Conservation Division – Hobbs District Office
State Land Office - Oil, Gas, and Minerals Division
SWD-1594-C, 30-025-38162