

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

RE:

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 15, 2004

Division Order No. IPI-236

Pogo Producing Company P.O. Box 10340 Midland, Texas 79702-7340

RECEIVED

JUN 1 8 2004

OCD:ARTESIA

Attention: Mr. Barrett L. Smith

Injection Pressure Increase

Lost Tank "33" Federal SWD Well No. 2

Eddy County, New Mexico

Dear Mr. Smith:

Reference is made to your request received by the Division on May 25, 2004 to increase the surface injection pressure on the Lost Tank "33" Federal SWD Well No. 2. This request is based on a step rate test conducted on the well on May 6, 2004. The results of the step rate test show that an increase in the surface injection pressure for this well is justified and will not result in the fracturing of the injection formation and confining strata.

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

WELL NAME & NUMBER	MAXIMUM SURFACE INJECTION PRESSURE
Lost Tank "33" Federal SWD Well No. 2 API No. 30-015-29330 Unit M, Section 33, T-21 South, R-31 East, NMPM, Eddy County, New Mexico	1807 PSIG

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

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Sincerely,

David Catanach Engineer/Examiner

cc:

Oil Conservation Division - Artesia

File: SWD-708