

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order IPI-304
August 29, 2008

John Johanning
BP America Production Company
501 Westlake Park Blvd, WL1 6.195
Houston, TX 77079

SEP - 5 2008
OCD-ARTESIA

RE: Injection Pressure Increase
Washington "33" State Waterflood Project
Eddy County, New Mexico

Reference is made to your request received by the Division on August 25, 2008, to increase the surface injection pressure on the Washington "33" State Wells No. 4, 10, 18, and 23. These wells are all within the BP America Production Company's Washington "33" State Waterflood Project and were approved by the Division for injection in Order R-12658 in Case 13750. These wells were last reviewed for higher surface injection pressures - approved with Administrative Order IPI-282. It is our understanding that these wells will not take a sufficient volume of water at the present pressure limits and a higher pressure limits are needed for waterflood operations.

This request is based on step rate tests conducted on these well on July 23, 2008. The results of the step rate tests show that an increase in the surface injection pressure for these wells 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 wells:

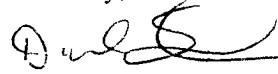
Well, API, and Location	Maximum Permitted Surface Injection Pressure
Washington "33" State Well No. 4 API No. 30-015-30188 Unit B, Section 33, T-17 South, R-28 East;	650 PSIG
Washington "33" State Well No. 10 API No. 30-015-30192 Unit F, Section 33, T-17 South, R-28 East;	650 PSIG
Washington "33" State Well No. 18 API No. 30-015-21745 Unit J, Section 33, T-17 South, R-28 East;	650 PSIG
Washington "33" State Well No. 23 API No. 30-015-30333 Unit M, Section 33, T-17 South, R-28 East;	800 PSIG



The operator is responsible for ensuring injected waters do not migrate upward inside or outside of the casing and enter formations above the permitted injection interval for each well. This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 40.

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 protectable water aquifers.

Sincerely,


Mark E. Fesmire, P.E.
Division Director

cc: Oil Conservation Division - Artesia
File: Case No. 13750