



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 16, 2004

Division Order No. IPI-237

Rice Operating Company
122 W. Taylor
Hobbs, New Mexico 88240

Attention: Mr. Scott Curtis

**RE: *Injection Pressure Increase
Blinebry Drinkard Well No. 35
Lea County, New Mexico***

Dear Mr. Curtis:

Reference is made to your request received by the Division on June 8, 2004 to increase the surface injection pressure on the Blinebry Drinkard Well No. 35. This request is based on a step rate test conducted on the well on May 27, 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:

<i>WELL NAME & NUMBER</i>	<i>MAXIMUM SURFACE INJECTION PRESSURE</i>
Blinebry Drinkard Well No. 35 API No. 30-025-22797 Unit H, Section 35, T-22 South, R-37 East, NMPM, Lea County, New Mexico	1600 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.

Injection Pressure Increase
Rice Operating Company
June 16, 2004
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Sincerely,

A handwritten signature in black ink, appearing to read "David Catanach". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke at the end.

David Catanach
Engineer/Examiner

cc: Oil Conservation Division - Hobbs
File: SWD-82