New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey Division Director Oil Conservation Division



November 18, 2011

Administrative Order IPI-408 Application No. pTGW1129452898

BOPCO, L.P. P.O. Box 2760 Midland, TX 79702

Attention: Carlos Cruz

RE: Injection Pressure Increase

Big Eddy Unit Well No. 122, Unit Letter F Section 4, T20 South, R31 East Eddy County, New Mexico

Reference is made to your request on behalf of BOPCO, L.P. (OGRID 260737) received by the Division on October 24, 2011 to increase the surface injection pressure on the Big Eddy Unit Well No. 122.

This well was approved by the Division for injection into the Delaware Mountain Group from approximately 4,670 feet to 6,800 feet with SWD-1232 and given a maximum surface injection pressure of 934 psi.

It is our understanding that this well will not take a sufficient volume of water at this pressure limit and a higher pressure limit is needed. It is also understood that an increase will not result in the fracturing of the injection formation and confining strata.

Based on the step rate injection test for this well run on October 18, 2011 we feel it does support an increase to 1045 psi. Any future requested increase beyond 1045 psi will require resubmission of additional data and a new step-rate test.

You are hereby authorized to increase the surface injection pressure on the following well located in Eddy County, New Mexico:



Well Number	Delaware Mountain Group Perforations	Surface Injection Pressure
Big Eddy Unit Well No. 122 API No. 30-015-27454, Unit F, Section 4, Township 20 South, Range 31 East	Approximately 4670'-6800'	1045 PSI

This approval is based on a provision that the tubing size, packer setting depth and perforation depths do not change. You are prohibited from injecting at pressures that would induce fracturing.

The operator is responsible for ensuring injected waters do not migrate upward inside or outside of this casing and enter formations above the permitted injection interval.

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 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.

The injection authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Sincerely,

Jami Bailey Director

JB/tw

cc: Oil Conservation Division – Artesia Bureau of Land Management-Carlsbad