State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin
Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



Administrative Order IPI-507 July 20, 2016 Administrative Application Reference No. pWVJ1620257323

Ms. Linda Good Devon Energy Production Company, LP 333 West Sheridan Ave Oklahoma City, OK 73102-5015

RE: <u>Injection Pressure Increase</u>

Ross Ranch 10 Federal Well No. 1 Cherry Canyon / Delaware Mountain Group

Dear Sir or Madame:

Reference is made to your request on behalf of Devon Energy Production Company, LP (OGRID 6137) received on July 20, 2016, to increase the maximum allowed surface tubing pressure on the following well(s):

Well No.	API Number	ULSTR	Permitting Order and Last Order Specifying Pressure Limit	Existing Pressure Limit, Psi	Existing Tubing OD, In.
#1	30-015-29605	H-10-26S-31E	SWD-1298	1024	2-7/8

It is our understanding that the requested pressure increase is needed in order to increase the rate of disposal 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 **disposal** tubing:

Well No.	Step Rate Test Date	New Pressure Limit	While Injecting	Injection Interval, Feet	Pressure Gradient (in psi/ft)
#1	2/20/16	1327	water	5118 to 5367	0.26

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.

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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,

DAVID R. CATANACH

Director

DRC/wvjj

cc: Oil Conservation Division - Artesia District Office

Bureau of Land Management - Carlsbad Field Office

Well File, SWD-1298