

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 24, 2006

Division Order No. IPI-273

Siana Operating, LLC P.O. Box 10303 Midland, Texas 79702

Attention: Ms. Lynn Fincher

RE: Injection Pressure Increase

Curry Federal Well No. 2 Lea County, New Mexico

Dear Ms. Fincher:

Reference is made to your request received by the Division on October 17, 2006, to increase the surface injection pressure on the Curry Federal Well No. 2. This request is based on a step rate test conducted on the well on October 9, 2006. 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
Curry Federal Well No. 2 API No. 30-025-24003 Unit N, Section 22, T-23 South, R-34 East, NMPM, Lea County, New Mexico	1360 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.

Sincerely,

Mark E. Fesmire, P.E. Division Director

cc: Oil Conservation Division - Hobbs

File: SWD-588