New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



June 10, 2009

Tony McAdams PO Box 755 Hobbs, NM 88240

Re: Administrative Order SWD-1124

Brooks Federal Well No. 3 (API No. 30-025-01711) 660 FSL, 1980 FEL, Sec 7, T20S, R33E, NMPM, Lea County Injection into the Yates, permitted Injection Depths: 2910 to 3025 OH

You have submitted a request on behalf of J. F. McAdams, for an extension of this injection permit beyond the one year deadline to commence injection for the reasons outlined in the attached correspondence.

The Division finds that granting McAdams' request to extend this injection permit beyond the normal one year is in the interest of conservation and will prevent waste and protect the environment.

All requirements of the above referenced injection permit remain in full force and effect including the following Special Requirements: "The operator shall clean this well out to total depth and run a modern porosity log from total depth to the surface and provide a copy of that log to the Hobbs district office. The operator shall run an injection survey with both tracer and temperature logs within 6 months of commencing injection and every 5 years thereafter or more often as required by the Division. Copies of these logs shall be provided to the Hobbs district office. In order to prevent excessive localized pressuring of the Yates formation, this well is not permitted to dispose of waste-waters from wells not operated by the operator of this saltwater disposal well. The permit to inject into this well can be immediately revoked by the Division without notice if it is found that injected waters are not confined within the permitted injection depths or if sufficient evidence exists that the Capitan Reef or the Potash/Salt intervals are being invaded by waters being injected into this well. The wellhead injection pressure on the well shall be limited to **no more than 582 psi."**

The deadline to commence injection is hereby extended until May 14, 2010.

MARK E. FESMIRE, P.E.

Director

Cc: OCD - Hobbs, File: SWD-1124

