



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order IPI-346
June 19, 2009

Fasken Oil & Ranch, Ltd.
300 West Wall Ave, Suite 1800
Midland, TX 79701-5116

Attention: Ms. Kim Tyson

RE: Injection Pressure Increase Request

Ling Federal Well No. 1 (API No. 30-025-28064) SWD-1142
Unit G, Sec 31, T 19 South, R 34 East, NMPM, Lea County, New Mexico
Delaware formation
Through perforations from 5679 feet to 8303 feet

Reference is made to your request on behalf of Fasken Oil & Ranch, Ltd. (OGRID 151416) received by the Division June 15, 2009, to increase the surface injection pressure limit on the above named disposal well.

Administrative Order No SWD-1142 approved on September 29, 2008, permitted the Ling Federal Well No. 1 for injection into the Delaware formation from 5679 feet to 8303 feet and allowed a maximum surface injection pressure of 1136 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 to enable increased water disposal.

The basis for granting this pressure increase is the step rate test run by Gray wireline on this well in May, 2009. Gray wireline measured the pressures during this test with surface and downhole pressure gauges.

You are hereby authorized to utilize up to **1500 psi** as the maximum surface injection pressure on this well provided the tubing, size, type, setting depth and perforation depths do not change. However, you are prohibited from injecting at pressures that would induce fracturing.

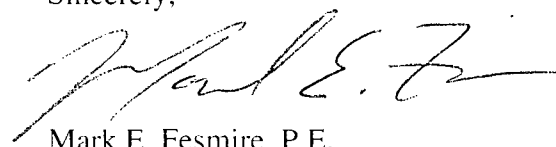
This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 5.9.



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 one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark E. Fesmire, P.E.
Director

MEF/tw

cc: Oil Conservation Division – Hobbs
Bureau of Land Management-Carlsbad
File: SWD-1136