New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jon Goldstein Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order IPI-376 June 9, 2010

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

Attention: Mr. Carlos Cruz

RE: Injection Pressure Increase Request

Poker Lake Unit Well No. 227 (API No. 30-015-33929) SWD-1064 Unit P, Sec 30, T24 South, R30 East, NMPM, Eddy County, New Mexico Bell Canyon and Cherry Canyon members of the Delaware Mountain Group Through perforations from 4,044 feet to 4,830 feet

Reference is made to your request on behalf of BOPCO, L.P. (OGRID 260737) to increase the surface injection pressure limit on the above named well.

This well was approved by the Division for injection into the Bell Canyon and Cherry Canyon members of the Delaware Mountain Group through perforations from approximately 4,044 feet to 4,832 feet with SWD-1064-B and given a maximum surface injection pressure of 809 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 handle water disposal needs in this area.

The basis for granting this pressure increase is the step-rate test run on this well in 2010. 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 hereby authorized to utilize up to <u>1440 psi</u> as the maximum surface injection pressure on this well provided the tubing, size, type, and setting depth does not change. However, you are prohibited from injecting at pressures that would induce fracturing.



Administrative Order IPI-376 BOPCO, L.P. June 9, 2010 Page 2 of 2

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 fresh water aguifers are being endangered.

Sincerely,

Mark E. Fesmire, P.E. Acting Division Director

MEF/tw

cc: Oil Conservation Division – Artesia Bureau of Land Management – Carlsbad SWD-1064-B