NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

September 18, 1995

Devon Energy Corporation 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260

Attn: Mr. E.L. Buttross, Jr.

RE: Injection Pressure Increase East Shugart Unit Waterflood Project, Eddy County, New Mexico

Dear Mr. Buttross:

Reference is made to your request dated August 23, 1995 to increase the surface injection pressure on 4 wells in the above referenced waterflood project. This request is based on step rate tests conducted between August 9 and 15, 1995. The results of the tests have been reviewed by my staff and we feel an increase in injection pressure on these wells is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following wells:

Well and Location	Maximum Surface Injection Pressure
East Shugart Unit Well No.2, Unit Letter B	1313 PSIG
East Shugart Unit Well No.33, Unit Letter A	1424 PSIG
East Shugart Unit Well No.41, Unit Letter G	1545 PSIG
East Shugart Unit Well No.42, Unit Letter A	1390 PSIG
All wells located Section 34, Township 18 South, Range 31 East, Eddy County, New Mexico.	

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

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Sincerely, William J. LeMay Director

WJL/BES

cc: Oil Conservation Division - Artesia Files: WFX-664; PSI-X 1st QTR 96