OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

September 9, 1997

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

Attn: Mr. Ray Stall

RE: Injection Pressure Increase,

Burton Flats SWD Well No.1

(Formerly Yates Federal Well No.1),

Eddy County, New Mexico

Dear Mr. Stall:

Reference is made to your request dated July 28, 1997 to increase the surface injection pressure on the above referenced well. This request is based on a step rate test conducted on July 21, 1997. The results of the test have been reviewed by my staff and we feel an increase in injection pressure on this well is justified at this time.

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

Burton Flats SWD Well No.1 1850 PS	September 1
Burton Flats SWD Well No.1 1850 PS	SIG

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.

Sincerely,

Will<del>ia</del>m J. LeMay

Director

WJL/BES

cc: Oil Conservation Division - Artesia

Files: SWD-497; PSI-X 1st QTR98