



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

August 19, 1999

Falcon Creek Resources, Inc.
621 17th Street, Suite 1800
Denver, Colorado 80293-0621

Attn: Mr. Joe Cox

**RE: *Injection Pressure Increase,
N.M.F. State Well No.1
API No. 30-025-07887
Lea County, New Mexico***

Dear Mr. Cox:

Reference is made to your request dated August 16, 1999 to increase the surface injection pressure on the above referenced well. This request is based on data obtained from a step rate test conducted on August 5, 1999. 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:

<i>Well and Location</i>	<i>Maximum Injection Pressure</i>
N.M.F. State Well No. 1	1600 PSIG
Located in Section 36, Township 20 South, Range 38 East, Lea 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.

Sincerely,

Lori Wrotenbery
Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
Files: SWD-726, IPI 1st QTR 2000