



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

February 25, 2003

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, Texas 77210-4294

Attention: Mr. Mark Stephens

Administrative Order No. PMX-109-A

Dear Mr. Stephens:

Reference is made to your request dated January 30, 2003, to amend Division Order No. PMX-109 dated August 13, 1981, which order authorized the conversion to injection of eighteen wells within the North Hobbs Grayburg San Andres Unit Pressure Maintenance Project. It is our understanding that Occidental Permian Ltd. seeks to amend the portion of the order relating to the:

North Hobbs Grayburg San Andres Unit Well No. 442
API No. 30-025-27001
1300' FSL & 1050' FEL, Unit P, Section 30, T-18 South, R-38 East, NMPM,
Lea County, New Mexico

and that the order is proposed to be amended by authorizing the subject well to inject water, carbon dioxide and produced gas into the Grayburg-San Andres formation at a surface injection pressure not to exceed:

- (i) 1100 psi for water
- (ii) 1250 psi for carbon dioxide
- (iii) 1770 psi for carbon dioxide and
produced gas

It is further our understanding that the subject well is located within the North Hobbs Grayburg San Andres Unit Phase I Tertiary Recovery Project, approved by Division Order No. R-6199-B.

Pursuant to your request, the proposed amendment to Division Order PMX-109 is hereby approved.

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Prior to injecting carbon dioxide and produced gas into the subject well, Occidental Permian Ltd. shall comply with any and all requirements relating to the amendment of the H₂S Contingency Plan for unit operations.

Sincerely,



Lori Wrotenberg
Director

Xc: Case File: 12722 /
File-PMX-109
OCD-Hobbs
Roger Anderson



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

November 7, 2002

Occidental Permian Ltd.
580 Westlake Park Blvd.
P.O. Box 4294
Houston, Texas 77210-4294

Attention: Mr. Richard E. Foppiano
Senior Advisor/Regulatory Affairs

Re: Authorization to Use Treated Effluent
North Hobbs Grayburg San Andres Unit PM Project
South Hobbs Grayburg San Andres Unit PM Project

Dear Mr. Foppiano:

Reference is made to your request dated March 5, 2002, to utilize treated effluent water from the Hobbs Municipal Waste Treatment Plant for injection into the North Hobbs Grayburg San Andres Unit Pressure Maintenance Project and South Hobbs Grayburg San Andres Unit Pressure Maintenance Project. It is our understanding from your application that:

- (1) The TDS of this effluent is approximately 4,000 mg/l;
- (2) The maximum amount of effluent to be injected into the North Hobbs Gb/SA Unit will be approximately 15,000 barrels per day, this amount representing approximately 10% of the total fluid volume injected daily within this pressure maintenance project.

Occidental Permian Ltd. is hereby authorized to utilize treated effluent water from the Hobbs Municipal Waste Water Treatment Plant for injection into the North Hobbs Grayburg San Andres Unit Pressure Maintenance Project and South Hobbs Grayburg San Andres Unit Pressure Maintenance Project.

Occidental Permian Ltd. shall advise the Division in the event of changes in the quality and/or quantity of the treated effluent water being utilized for injection within these pressure maintenance projects.

Sincerely,



Lori Wrotenbery
Director

Xc: OCD-Hobbs
Case File-12722