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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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OIL CONSERVATION DIVISION

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O. C. D. ARTESIA OFFICE

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POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

August 28, 1991

Marathon Oil Company P.O. Box 552 Midland, Texas 79702

Attention: Mark A. Skrabacz

Re: Amendment of Division Order No. SWD-416

Dear Mr. Skrabacz:

Reference is made to your request dated August 7, 1991, to amend Division Order No. SWD-416, which order authorized Marathon to utilize the Indian Basin Gas Com Well No. 1 located in Unit E of Section 23, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico, as a disposal well, injection to occur into the Wolfcamp formation at approximately 6574 feet to 6768 feet. It is our understanding that you wish to amend the injection interval to include only the Devonian formation from a depth of 10,100 feet to 10,400 feet, and that the Wolfcamp perforations described above will be squeeze cemented to assure isolation.

The injection interval for the subject well is hereby amended to include only the Devonian formation from a depth of approximately 10,100 feet to 10,400 feet subject to the following conditions:

1) The Wolfcamp perforations from a depth of 6574 feet to 6768 feet shall be squeeze cemented and the casing subsequently pressure tested from the surface to the proposed packer setting depth to assure the integrity of such casing;

2) The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 2,020 psi;

3) 2 3/8 inch plastic lined tubing shall be installed in a packer set at approximately 10,000 feet;

4) All other provisions of Division Order No. SWD-416 shall remain in full force and effect.

Sincerely, 00 . William J. LeMar Director

xc: OCD-Artesia BLM-Carlsbad R. Brown

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