

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1930 - 1986



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TREASURER

July 28, 1997

New Mexico Oil Conservation Division  
2040 S. Pacheco Str.  
Santa Fe, NM 87505-5472

Re: Burton Flats SWD #1 (formerly Yates Federal "A" #1)  
1980' FNI. & 1980' FWI.  
Sec. 21, T. 20S. R. 29 E.  
Eddy County, New Mexico

Gentlemen,

On December 14, 1992, the New Mexico Oil Conservation Division approved use of the referenced well for produced water disposal by Administrative Order SWD-497. The approved disposal interval is Delaware perforations 3410'-5385'. The surface injection pressure limit was set at 682 psi by the order. Injection is down 2 3/8" tubing inside 4 1/2" casing. The Order provided that an increase in surface injection pressure may be authorized by the Director of the Division subject to conducting a valid step rate test.

On July 21, 1997, a step rate test was conducted by West - Test, Inc. for Yates Petroleum Corporation. Two copies of the test are attached. The test shows that the fracture gradient is reached at a surface injection pressure of 1500 psi. Accordingly, Yates Petroleum Corporation respectfully requests the Director's administrative approval to increase the surface injection pressure limit for this well to 1800 psi.

If additional information is needed, please contact Ray Stall at (505) 748-4174

Sincerely,

Ray Stall  
Engineer

Attachments