



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
BETTY RIVERA  
Cabinet Secretary

Lori Wrotenbery  
Director  
Oil Conservation Division

September 14, 2002

Mr. Herb Thackeray  
Nance Petroleum Corporation  
550 N 31<sup>st</sup> Street, Suite 500  
Billings, Montana 59101

**Ref: Administrative Application for Injection Pressure Increase  
Parkway Delaware Unit**

Dear Mr. Thackeray:

This letter acknowledges the receipt of your administrative application dated August 29, 2002, for a unit wide injection pressure increase in the Parkway Delaware Unit located in Townships 19 and 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The division received your application September 3, 2002.

Your application included one Step Rate Test and eight (8) Injection Surveys. The presentation of results of these tests was very readable and very helpful. **We are approving an injection pressure increase on well No. 601 under separate cover.**

As you mentioned, a Unit wide injection pressure limit is best. The Parkway Delaware Unit includes 13 water injection wells, located mostly in Section 35, Township 19 South, Range 29 East. Your application included a Step Rate Test in the southern most injection well No. 601 located in section 2, Township 20 South, Range 29 East. Well No. 601 appears to be one of the least successful injection wells. The reported average well injection rate for 2002 is highest in the central portion of Section 35.

In order to approve a Unit wide injection pressure increase above the **currently approved limits - which range from 832 to 852 psi** - please provide at a minimum, Step Rate Tests on wells 303, 304, 703, 508, and a test on at least one of wells 204, 302, or 505. Please provide test results in similar, readable format and any other reasoning or data available.

If you have any questions, please contact either Mr. David Catanach at 505-476-3466 or myself at 505-476-3448.

Sincerely,

  
William V Jones Jr. PE

cc: Oil Conservation Division – Artesia ✓

