

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order IPI-508

August 4, 2016

Administrative Application Reference No. pMAM1617632654

Ms. Cindy Herrera-Murillo
Chevron U.S.A. Inc.
15 Smith Road
Midland, TX 79705

RE: Injection Pressure Increase
Central Vacuum Unit Tertiary Recovery Project
Vacuum; Grayburg-San Andres Pool (62180)

Dear Ms. Herrera-Murillo:

Reference is made to your request on behalf of Chevron U.S.A. Inc. (OGRID 4323) received on June 23, 2016, to increase the maximum allowed surface tubing pressure on the following well(s):

Well No.	API Number	ULSTR	Permitting Order and Last Order Specifying Pressure Limit	Existing Pressure Limit, Psi	Existing Tubing OD, In.
CVU #014	30-025-25811	E-30-17S-35E	IPI-164	1578	2-3/8
CVU #120	30-025-25801	D-7-18S-35E	Division Order R-5530-E	1400	2-3/8

It is our understanding that the requested pressure increase is needed in order to increase the rate of injection and this pressure increase will not result in the fracturing of the formation and confining strata.

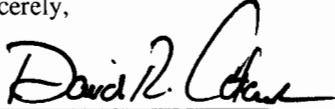
Based on the results of the submitted step rate injection test(s), the following shall be the new pressure limit(s) while equipped with **injection** tubing:

Well No.	Step Rate Test Date	New Pressure Limit	While Injecting	Injection Interval, Feet	Pressure Gradient (in psi/ft)
CVU #014	8/08/16	1820	water	4400 to 4812	0.41
CVU #120	4/20/16	1830	water	4557 to 4722	0.40

This approval is based on the provision that the tubing size, packer setting depth and completion interval for the well(s) does not change. Any future requested pressure increase will require resubmission of additional data and/or a new step-rate test. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in the well(s). This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

The Division Director may rescind any injection permit if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval or is endangering any fresh water aquifer.

Sincerely,



DAVID R. CATANACH
Director

DRC/MAM

cc: Oil Conservation Division – Hobbs District Office
State Land Office - Oil, Gas, and Minerals Division
Well File 30-025-25811
Well File 30-025-25801
Case 6008
Case 11650