

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Director
Oil Conservation Division



Oxy Permian, Ltd.
Attn: Mr. Jerad Brockman
P.O. Box 4294
Houston, TX 77210

March 29, 2012

Re: South Hobbs Grayburg San Andres Unit COOP Well No. 11 (API No. 30-025-28970)
South Hobbs Grayburg San Andres Unit (19552)
2500 FSL and 1660 FWL, Unit K
Section 34, T18S, R38E, NMPM, Lea County
Permitted SWD-Grayburg San Andres Pool (31920)

You have submitted a request on behalf of Oxy for clarification of the allowable packer setting depth.

Your sundry requests a new packer setting depth of 4128 feet while the existing permit states the allowable packer setting depth is "approximately 4100 feet". Your sundry also states the well's permitted injection interval is currently 4259'-4363'.

Records indicate the top of the unitized interval is approximately 3899 feet. The requested packer seat is within the unitized interval and should be approved.

The well shall pass a mechanical integrity test ("MIT") prior to commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC.

Your new packer seat at **4128** feet is hereby **approved**.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", is written over a horizontal line.

Jami Bailey
Director

JB/tw
cc: Oil Conservation Division – Hobbs
File: API No. 30-025-28970&PMX-130

