



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director

Oil Conservation Division

July 14, 2004

Division Order No. IPI-238

Apache Corporation
Two Warren Place
Suite 1500
6120 South Yale
Tulsa, Oklahoma 74136-4224

Attention: Mr. Rick Crist

RE: *Injection Pressure Increase*
Argo Wells No. 6 & 7
Lea County, New Mexico

Dear Mr. Crist:

Reference is made to your request received by the Division on June 25, 2004 to increase the surface injection pressure on the Argo Wells No. 6 and 7. This request is based upon a recently conducted step rate test on the Argo Well No. 6. The results of the step rate test show that an increase in the surface injection pressure for these wells is justified and will not result in the fracturing of the injection formation and confining strata.

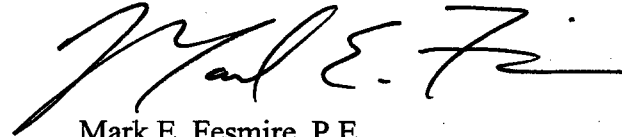
You are therefore authorized to increase the surface injection pressure on the following wells:

<i>WELL NAME & NUMBER</i>	<i>MAXIMUM SURFACE INJECTION PRESSURE</i>
Argo Well No. 6 API No. 30-025-06603 Unit K, Section 15, T-21 South, R-37 East, NMPM, Lea County, New Mexico	1615 PSIG
Argo Well No. 7 API No. 30-025-09915 Unit L, Section 15, T-21 South, R-37 East, NMPM, Lea County, New Mexico	1615 PSIG

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The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire". The signature is fluid and cursive, with the first name "Mark" being the most prominent.

Mark E. Fesmire, P.E.
Director

cc: Oil Conservation Division - Hobbs
File: SWD-859, SWD-860