



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.

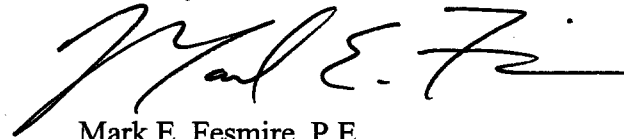
You are therefore authorized to increase the surface injection pressure on the following wells:

WELL NAME & NUMBER	MAXIMUM SURFACE INJECTION PRESSURE
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

Injection Pressure Increase
Apache Corporation
July 14, 2004
Page 2

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", written in a cursive style.

Mark E. Fesmire, P.E.
Director

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