

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Division Order No. IPI-241

September 29, 2004

ChevronTexaco 15 Smith Road Midland, Texas 79705

Attn: Ms. Cassie Viets

RE: Injection Pressure Increase,

West Vacuum Unit Waterflood Project,

Lea County, New Mexico

Dear Ms. Viets:

Reference is made to your request dated September 21, 2004 to increase the surface injection pressure on three wells wihin the West Vacuum Unit Waterflood Project. This request is based on step rate tests conducted on these wells during September, 2004. The results of the tests 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 and Location | Maximum Sürface Injection Pressure |
|--|---------------------------------------|
| West Vacuum Unit Well No. 57 (API No. 30-025-33599) Unit P, Section 34 Township 17 South, Range 34 East | 2250 PSIG |
| West Vacuum Unit Well No. 58 (API No. 30-025-33588) Unit B, Section 3, Township 18 South, Range 34 East | 2350 PSIG |
| West Vacuum Unit Well No. 68 (API No. 30-025-33768) Unit A, Section 34, Township 17 South, Range 34 East | 2190 PSIG |

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

Sincerely,

Mark E. Fesmire, P.E.

Director

MEF/drc

cc: Oil Conservation Division - Hobbs

File: Case No. 3345