



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 24, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Division Order No. IPI-248

Mewbourne Oil Company

P.O. Box 7698

Tyler, Texas 75711

Attention: Mr. K. M. Calvert

**RE: *Injection Pressure Increase
Querecho Plains Bone Spring Sand Unit Waterflood Project
Lea County, New Mexico***

Dear Mr. Calvert:

Reference is made to your request received by the Division on January 20, 2005 to increase the surface injection pressure on two wells within the Querecho Plains Bone Spring Sand Unit Waterflood Project. The request to increase the surface injection pressure on these wells is based upon recently-conducted step rate tests. The results of the step rate tests show that an increase in the surface injection pressure for these wells is justified and will not result in the fracturing of the confining strata.

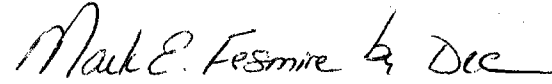
You are therefore authorized to increase the surface injection pressure on the following-described wells located in Township 18 South, Range 32 East, NMPM, Lea County, New Mexico:

| <i>WELL NAME & NUMBER</i> | <i>MAXIMUM SURFACE INJECTION PRESSURE</i> |
|---|--|
| Querecho Plains Bone Spring Sand Unit Well No. 2A-1 API No. 30-025-30583 660' FNL & 660' FWL, Unit D, Section 24 | 2430 PSIG |
| Querecho Plains Bone Spring Sand Unit Well No. 13-2 API No. 30-025-29679 760' FSL & 2310' FWL, Unit N, Section 23 | 2380 PSIG |

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.

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Sincerely,

A handwritten signature in cursive script that reads "Mark E. Fesmire" followed by a stylized flourish.

Mark E. Fesmire, P.E.
Director

cc: Oil Conservation Division - Hobbs
File: Case No. 10762
File: WFX-776