



New Mexico Energy, Minerals and Natural Resources Department

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Oil Conservation Division



September 22, 2011

Administrative Order IPI-407
Application No. pTGW1124349169

Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, TX 79705

Attention: Sarah Hardin

RE: Injection Pressure Increase
Washington 34 Well No. 1, Unit Letter N
Section 34, T17 South, R28 East
Eddy County, New Mexico

Reference is made to your request on behalf of Apache Corporation (OGRID 873) received by the Division on August 30, 2011 to increase the surface injection pressure on the Washington 34 Well No. 1.

This well was approved by the Division for injection into the Wolfcamp and Cisco formations from approximately 7,378 feet to 9,223 feet with SWD-710 and given a maximum surface injection pressure of 1476 psi.

It is our understanding that this well will not take a sufficient volume of water at this pressure limit and a higher pressure limit is needed. It is also understood that an increase will not result in the fracturing of the injection formation and confining strata.

Based on the step rate injection test for this well run on May 19, 2011 we feel it does support an increase to 1800 psi. Any future requested increase beyond 1800 psi will require resubmission of additional data and a new step-rate test.

You are hereby authorized to increase the surface injection pressure on the following well located in Eddy County, New Mexico:



Well Number	Wolfcamp and Cisco Perforations	Surface Injection Pressure
Belco State Well No. 2 API No. 30-015-29344, Unit N, Section 34, Township 17 South, Range 28 East	Approximately 7378'-9223'	1800 PSI

This approval is based on a provision that the tubing size, packer setting depth and perforation depths do not change. You are prohibited from injecting at pressures that would induce fracturing.

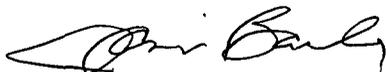
The operator is responsible for ensuring injected waters do not migrate upward inside or outside of this casing and enter formations above the permitted injection interval.

This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

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.

The injection authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Sincerely,



Jami Bailey
Director

JB/tw

cc: Oil Conservation Division – Artesia