-4110' PTGW

DATE IN 2.14.12	SUSPENSE	ENGINEER TW	LOGGED IN 2.14.12	TYPE IPI	APP NO. 1204556279

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

Read & Stevens
Brandit State #1 / SWD

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-21071

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

F-10-235-26E

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☒ IPI ☐ EOR ☐ PPR

960 or 910

[D] Other: Specify _____

SWD-930

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

3140 - 3590

950 psi = .31

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date

e-mail Address

February 13, 2012

Terry Wamell

Engineering Bureau

Oil Conservation Division

1220 S. Saint Francis Drive

Santa Fe, NM 87505

RECEIVED OCD
2012 FEB 14 P 1:52

RE: Request for Injection Pressure Increase on Bandit State #1 SWD

Dear Mr. Wamell,

The Bandit State #1 SWD well located 1980' FNL & 2021' FWL in Section 10 Twp 23S Rge 26E in Eddy County, NM has been disposing of water into the Delaware formation under Administrative Order SWD-930. Wellhead pressure has been limited to no more than 628#.

On February 7, 2012, Cardinal Surveys was rigged up to run a step-rate test. Results show no fracture initiation up 2500 BPD with 960# surface pressure. Data from the step-rate test is attached.

Read & Stevens, Inc., therefore, requests an increase in the pressure allowable on the subject well to 960#.

Thank you for your consideration of this matter. Please feel free to call me if further explanation is needed. My cellular phone number is 575.390.2424

Sincerely,

575.396-5391

William Palmer
Manager, Production & Completions

Step Rate Test

Cardinal Surveys Company

7-Feb-12

Read & Stevens
Well: **Bandit State No. 1**
Field;
County: **Eddy County, New Mexico**

SC 60008
File No. 20678

No Parting Pressure Calculated

Downhole PSI Tool Ser. No. **CSC2601**
Surface PSI Gauge Ser. No. **10213**
Tool @ **3,250'**

30 minute Step

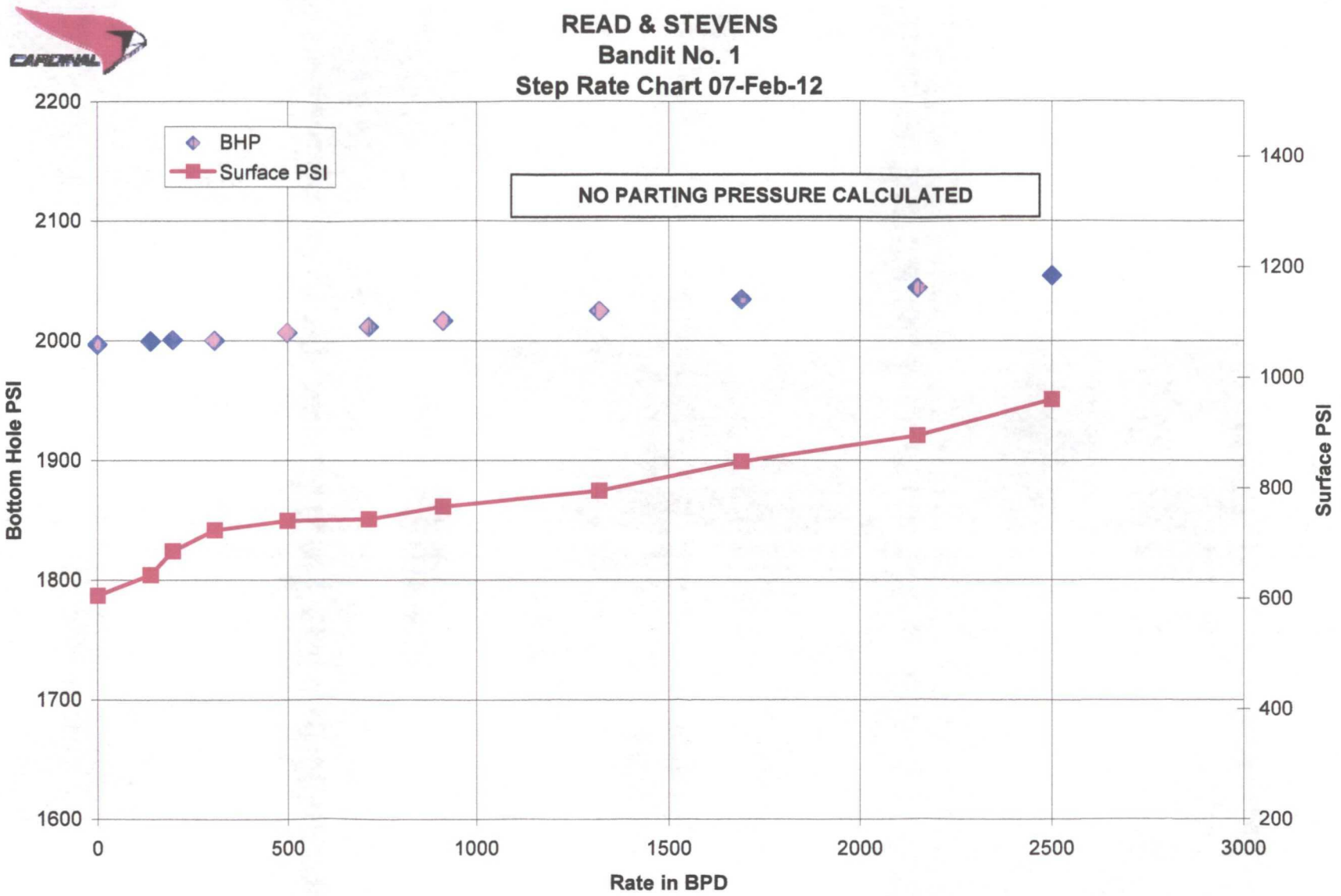
	Start	End	Rate	
1	9:03 AM	9:45 AM	0	3,250'
2	9:45 AM	10:15 AM	100	
3	10:15 AM	10:45 AM	200	
4	10:45 AM	11:15 AM	300	
5	11:15 AM	11:45 AM	500	
6	11:45 AM	12:15 PM	700	
7	12:15 PM	12:45 PM	900	
8	12:45 PM	1:15 PM	1300	
9	1:15 PM	1:45 PM	1700	
10	1:45 PM	2:15 PM	2100	
11	2:15 PM	2:45 PM	2500	
12	2:45 PM	3:00 PM	0	15 Min Fall Off
13				
14				
15				
16				
17				
18				

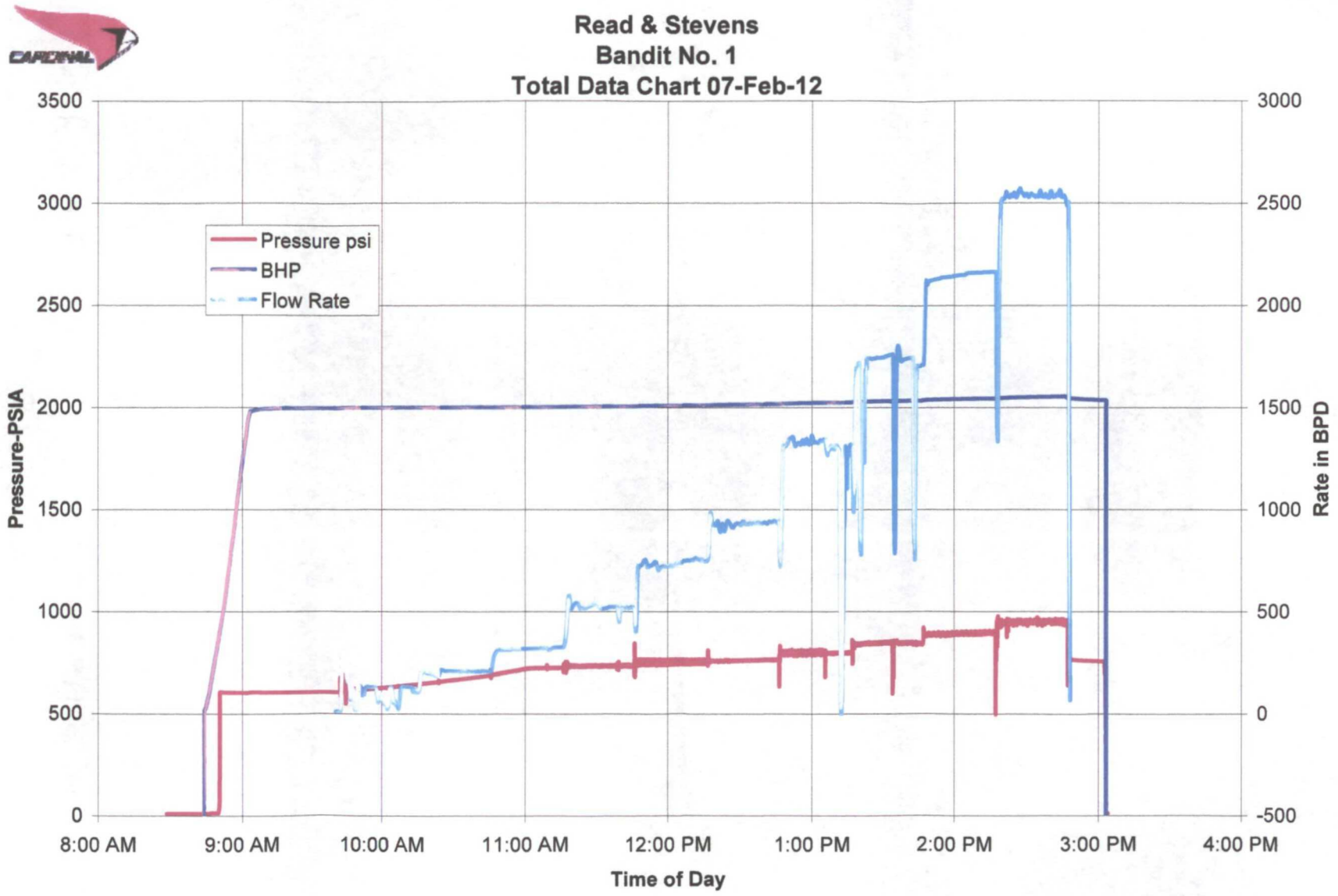
Step Rate Test
7-Feb-12

Read & Stevens
Well: Bandit No. 1
Field:
Location: Eddy County, New Mexico

	S Time	E Time	D Time Min	Last Rate BPD	Step BPD	BHP PSIA	Surf PSIA	Cum BBL	Delta BBL	Avg. BPD	Lower Trend	Upper Trend
1	9:03 AM	9:45 AM	42	0	0	1996.7	605.1	0	0	0		
2	9:45 AM	10:15 AM	30	100	100	1999.4	642.5	2.9	2.9	139		
3	10:15 AM	10:45 AM	30	200	100	2000.6	685.7	7	4.1	197		
4	10:45 AM	11:15 AM	30	300	100	2000	723.4	13.4	6.4	307		
5	11:15 AM	11:45 AM	30	500	200	2006.7	740.9	23.8	10.4	499		
6	11:45 AM	12:15 PM	30	700	200	2011.5	743.4	38.7	14.9	715		
7	12:15 PM	12:45 PM	30	900	200	2016.6	766.1	57.7	19	912		
8	12:45 PM	1:15 PM	30	1300	400	2024.9	794.9	85.2	27.5	1320		
9	1:15 PM	1:45 PM	30	1700	400	2034.5	847.7	120.4	35.2	1690		
10	1:45 PM	2:15 PM	30	2100	400	2044.6	895.3	165.2	44.8	2150		
11	2:15 PM	2:45 PM	30	2500	400	2054.3	960.5	217.3	52.1	2501		
12	2:45 PM	3:00 PM	15	0	0	2037	756.2	217.3	0	0		
13												
14												
15												
16												

intersect	#DIV/0!	BPD
BHP PSI	#DIV/0!	PSIA


READ & STEVENS
Bandit No. 1
Step Rate Chart 07-Feb-12
BHP
Surface PSI
NO PARTING PRESSURE CALCULATED
Bottom Hole PSI
Surface PSI
Rate in BPD
2200
2100
2000
1900
1800
1700
1600
1400
1200
1000
800
600
400
200
0
500
1000
1500
2000
2500
3000


Read & Stevens
Bandit No. 1
Total Data Chart 07-Feb-12
Pressure psi
BHP
Flow Rate
Pressure-PSIA
Rate in BPD
Time of Day
3500
3000
2500
2000
1500
1000
500
0
3000
2500
2000
1500
1000
500
0
-500
8:00 AM
9:00 AM
10:00 AM
11:00 AM
12:00 PM
1:00 PM
2:00 PM
3:00 PM
4:00 PM