

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order IPI-419
July 31, 2012

Blaise Campanella
Judah Oil LLC
PO Box 568
Artesia, NM 88211-0568

RE: Injection Pressure Increase
SWD-1249, SWD;Wolfcamp Pool
Jamoca Federal SWD Well No. 1 API 30-015-32265
Unit A, Sec 29, T17S, R31E, NMPM, Eddy County, New Mexico

Dear Mr. Campanella:

Reference is made to your request on behalf of Judah Oil LLC (OGRID 245873) received by the Division on June 14, 2012, to increase the maximum allowed surface tubing pressure on the above named well.

This well was permitted by the Division for water disposal from 8890 to 9685 feet in the Wolfcamp formation by Division administrative Order SWD-1249 approved October 22, 2010. That permit allowed a maximum disposal tubing pressure of 1599 psi. Subsequently the Division issued administrative Order IPI-409 on December 7, 2011, granting a pressure increase to 2500 psi.

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

Based on a step rate test for this well run September 26, 2011, you are hereby authorized to inject at the following maximum surface tubing pressure:

Jamoca Federal SWD Well No. 1 API 30-015-32265 2900 psi

This approval is based on the provision that the tubing size, packer setting depth and completion interval for this well does not change. Any future requested pressure increase will require resubmission of additional data and a new step-rate test. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well. 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 permitted injection pressure increase if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval or is endangering any fresh water aquifer.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Bailey", written over a horizontal line.

JAMIE BAILEY
Director

JB/wvjj

cc: Oil Conservation Division – Artesia
File: SWD-1249