

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



August 2, 2016

Mr. Don Tierney
Ram Energy LLC
5100 East Skelly Drive, Suite 600
Tulsa, OK 74135

RE: Packer Setting Depth Exception

Injection Authority: Commission Order No. R-2352 and Amended Administrative Order WFX 570; West Dollarhide Queen Sand Unit Waterflood project
Pool: Dollarhide; Queen Pool (Pool code 18810)
West Dollarhide Queen Sand Unit Well No. 8 (API 30-025-12261)
Unit H, Sec 30, T24S, R38E, NMPM, Lea County, New Mexico

Mr. Tierney:

Reference is made to your request on behalf of Ram Energy LLC (OGRID 309777; "Ram") received by the Division on July 1, 2016, for the above named well. Ram applied for exception for setting the packer within 100 feet of the top perforation in the injection interval.

It is our understanding that Ram has maintained a previous packer setting depth of 3620 feet below surface or approximately 91 feet above the uppermost perforation of the injection well. Following repairs to the injection well, Ram stated that the packer was set at 3589 feet below surface to obtain a proper seal for the tubing packer. As a result, Ram requests an exception for the current packer depth at 3589 feet below surface. This location of the packer is approximately 122 feet above the shallowest perforation at 3711 feet, and is below the correlated upper limit of the Unitized Formation at approximately 3588 feet below surface.

For the reasons stated in the application and because it appears that correlative rights are protected, waste will not occur and this modification will not endanger any fresh water aquifer or the environment, the exception is granted. The packer location within this well shall not be set higher than 122 feet above the current top perforation depth unless the operator receives written approval from the Division Director.

The Division Director may rescind this exception if it becomes apparent that the injected fluid is not being confined to the permitted interval or is endangering any fresh water aquifer.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Catanach". The signature is fluid and cursive, with a long horizontal stroke at the end.

DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management - Carlsbad
Administrative Order WFX-570
Case File - 2672
Well File API 30-025-12261