

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

December 13, 2006

Division Order No. IPI-276

Texland Petroleum, L.P. 777 Main Street, Suite 3200 Fort Worth, Texas 76102

Attention: Ms. Vickie Smith

RE: Injection Pressure Increase Bowers "A" Federal Wells No. 39, 42 & 43 Lea County, New Mexico

Dear Ms. Smith:

Reference is made to your request received by the Division on December 8, 2006, to increase the surface injection pressure on the Bowers "A" Federal Wells No. 39, 42 and 43. These wells are all within the Texland Petroleum, L.P. Hobbs Upper Blinebry Cooperative Waterflood Project This request is based on step rate tests conducted on these well on October 4-6, 2006. The results of the step rate test show that an increase in the surface injection pressure for these wells is justified and will not result in the fracturing of the injection formation and confining strata.

You are therefore authorized to increase the surface injection pressure on the following wells:

WELL NAME & NUMBER	MAXIMUM SURFACE INJECTION PRESSURE
Bowers "A" Federal Well No. 39 API No. 30-025-35727	1654 PSIG
Unit J, Section 30, T-18 South, R-38 East; Bowers "A" Federal Well No. 42 API No. 30-025-35756 Unit M, Section 29, T-18 South, R-38 East;	1520 PSIG
Bowers "A" Federal Well No. 43 API No. 30-025-35852 Unit L, Section 29, T-18 South, R-38 East;	1567 PSIG

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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.

Sincerely,

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Mark E. Fesmire, P.E. Division Director

cc: Oil Conservation Division - Hobbs File: Case No. 12666