



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order IPI-293
March 11, 2008

Coleman Oil & Gas, Inc.
P.O. Drawer 3337
Farmington, NM 87499-3337

Attention: Michael T. Hanson

RE: Injection Pressure Increase Request

Juniper West SWD Well No. 1 (API No. 30-045-33771)
Unit N, Section 24, Township 24 North, Range 11 West, NMPM
SWD; Mesaverde Pool (Menefee and Point Lookout Injection Intervals)
Perforations: 2408 feet to 3500 feet

Reference is made to your request dated March 3, 2008, to increase the surface injection pressure on the above named disposal well.

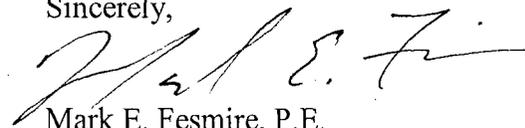
Administrative Order No SWD-1055 approved on December 1, 2006, permitted this well for injection into the above referenced formation and perforations and allowed a maximum surface injection pressure of 462 psi. It is our understanding that this well will not take a sufficient volume of water at this pressure and additional pressures are needed to enable increased water disposal from Coleman's operations.

The basis for granting this pressure increase is an injection test run by Coleman on this well on January 24, 2008. Coleman measured both surface and bottomhole pressures during this test.

You are hereby authorized to utilize up to 1,250 psi as the maximum surface injection pressure on this well provided the tubing, size, type, and setting depth does not change.

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,



Mark E. Fesmire, P.E.
Director

cc: Oil Conservation Division – Aztec/SWD-1055

