



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

February 13, 2003

Lori Wrotenbery
Director
Oil Conservation Division

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, Texas 77210-4294

Attention: Mr. Mark Stephens

Re: Form C-108
North Hobbs Gb/SA Unit Well No. 442
Unit P, Section 30, T-18S, R-38E, NMPM,
Lea County, New Mexico

Dear Mr. Stephens:

I have reviewed your application for an amendment to Order No. PMX-109, to authorize injection of CO₂, produced gas and water within the subject well. Your application appears to be in order; however, I have a question regarding the injection of produced gas. It appears that this well is in the Gas Injection Phase I Area, which, if my recollection is correct, is the area where only CO₂ and water are to be injected. I would appreciate any comments or explanation you may have with regard to this question.

If you should have any questions, please contact me at (505) 476-3466. Otherwise, your application will be processed upon receipt of the requested data.

Sincerely,

A handwritten signature in black ink, appearing to read "David Catanach".

David Catanach
Engineer

Xc: OCD-Hobbs



Occidental Permian Ltd.

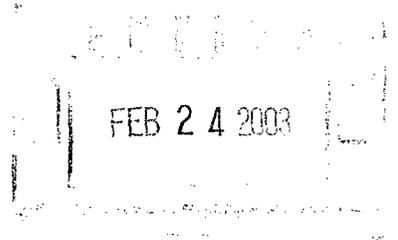
580 WestLake Park Blvd.
Houston, TX 77079
PO Box 4294
Houston, TX 77210-4294
281-552-1000

February 19, 2003

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Attention: Mr. David Catanach

Re: Form C-108 for North Hobbs GBSA Unit Well No. 442
Unit P, Section 30, Township 18 South, Range 38 East
Lea County New Mexico



Dear David:

To follow-up on our phone conversation today, Occidental Permian LTD. is continuing to refine the CO2 injection plan in the North Hobbs Unit to maximize the economical recovery of hydrocarbons. From time to time, this may require us to seek NMOCD approval to adjust the original list of wells authorized for produced gas/CO2/water (the "Gas Re-injection Area") and CO2/water (the "Gas Injection Area") by filing additional C-108 applications as we go forward. Confining the produced gas injection to the northwest part of the unit is still the plan, but the exact boundaries of the "Gas Re-injection Area" and the "Gas Injection Area" may shift a little as the flood design matures. This was the reason for the referenced C-108 filing. I have contacted Roger Anderson regarding any issues with the H2S Contingency Plan and await his feedback on the need to immediately amend the plan that was filed at the hearing or file a revision of the plan before produced gas injection operations start.

Thank you for your consideration of our application, and please call me at 281-552-1303 if you have any additional questions.

Sincerely,

Richard E. Foppiano
Senior Advisor - Regulatory Affairs

REF:ref

CC: Mark Stephens

*I hope this is
what you needed, David.
Thanks again.
Rich*



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Director
Oil Conservation Division

Oil Conservation Division
1220 S Francis Dr
Santa Fe, NM 87505

RE: Proposed;
MC _____
DHC _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____ **X**

Gentlemen:

I have examined the application for the:

Occidental Permian LP	North Hobbs GB/SA Unit #442-P, 30-18s-38e	30-025-27001
Operator	Lease & Well No. Unit-S-T-R	API #

And my recommendations are as follows:

Yours very truly,

Chris Williams
Supervisor, District I