



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-313
February 25, 2009

Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102-8260

Attention: Ronnie Slack

RE: Injection Pressure Increase Request

Remuda Basin 20 Federal Well No. 1 (API No. 30-015-29549) SWD-951,
Section 20, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico
SWD; Delaware Bell Canyon formation
Through perforations from 4124 feet to 4774 feet

Reference is made to your request on behalf of Devon Energy Corporation (OGRID 136025) received by the Division February 2, 2009, to increase the surface injection pressure limit on the above named disposal well.

Administrative Order No SWD-951 approved on November 19, 2004, permitted the Remuda Basin 20 Federal Well No. 1 for injection into the Bell Canyon member of the Delaware Mountain Group at 4124 feet to 4774 feet and allowed a maximum surface injection pressure of 814 psi. It is our understanding that this well will not take a sufficient volume of water at this pressure limit and a higher pressure limit is needed to enable increased water disposal.

The basis for granting this pressure increase is the step rate test run by Precision Pressure Data, Inc. on this well in January of 2009. Precision measured the surface pressures during this test with a single electronic pressure gauge.

You are hereby authorized to utilize up to **1178 psi** as the maximum surface injection pressure on this well provided the tubing, size, type, setting depth and perforation depths do not change.

This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 5.9.



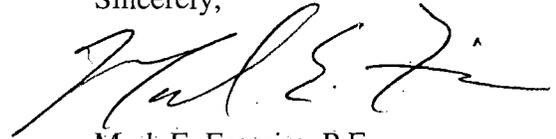
February 23, 2009

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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.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Sincerely,

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

Mark E. Fesmire, P.E.
Director

MEF/tw

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad
SWD-951