



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



April 2, 2009

Ms. Margrethe Hotter
Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210-2118

Re: Administrative Order SWD-1129

Loving SWD Well No. 1 (API No. 30-015-22889)
1550 FNL, 1780 FEL, Sec 16, T23S, R28E, NMPM, Eddy County
Injection into the Delaware, permitted Injection Depths: 2900 to 3850

You have submitted a request on behalf of Yates Petroleum Corporation of this well, for an extension of this injection permit beyond the one year deadline to commence injection for the reasons outlined in the attached correspondence.


The Division finds that granting Yates' request to extend this injection permit beyond the normal one year is in the interest of conservation and will prevent waste and protect the environment.

All requirements of the above referenced injection permit remain in full force and effect including the following:

"As preparation for injection into this well, the operator shall obtain prior and subsequent approval from the Artesia office of the Division on sundry form(s) to: (i) plug back the existing perforations; (ii) squeeze cement over the un-cemented annulus from approximately 5,300 feet to approximately 2,700 feet; and (iii) install an additional permanent plug in the casing at a depth of approximately 200 feet below the lowermost permitted injection interval."

The deadline to commence injection is hereby extended until June 5, 2010.

Sincerely,



MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Artesia
File: SWD-1129

