

New Mexico Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Administrative Order IPI-397
April 4, 2011

Lime Rock Resources, L.P.
3104 N. Sullivan Avenue
Farmington, NM 87401

Attention: Mr. Mike Pippin (Agent)

RE: Injection Pressure Increase Request (pTGW1108232916)
SWD-1247-A
Canyon formation
Eddy County, New Mexico

Reference is made to your request on behalf of Lime Rock Resources, LP ("Lime Rock", OGRID 255333) received by the Division March 23, 2011, to increase the surface injection pressure limit on its Aspen 32 State Com Well No. 1 (API 30-015-34148) located 1370 feet from the South line and 1609 feet from the East line, Unit Letter J of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Canyon formation through perforations from approximately 8204 feet to 8708 feet through lined tubing and a packer set within 100 feet above the permitted disposal interval.

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 Cardinal Surveys Company step rate test which was run by Lime Rock in March of 2011.

Lime Rock Resources, LP is hereby authorized to utilize a maximum surface injection pressure limit Unit of **4,137** psi as the maximum surface injection pressure on the wells shown below, provided the tubing, size, type and perforation depths do not change. The packers shall be located within 100 feet of the top of the injection interval.



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

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, or is causing waste of oil and gas. Lime Rock is prohibited from injecting at pressures that would induce fracturing in individual wells.

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 at least one of the subject wells, provided however, the Division, upon written request by the operator received prior to the one year deadline, may grant an extension thereof for good cause shown.



J. Daniel Sanchez
Acting Director

JDS/tw

cc: Oil Conservation Division –Artesia
New Mexico State Land Office - Santa Fe