

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 13865
ORDER NO. R-12809-A**

**APPLICATION OF VERSADO GAS PROCESSORS, LLC, OPERATED BY
TARGA RESOURCES, LLC, FOR APPROVAL OF AN ACID GAS INJECTION
WELL, LEA COUNTY, NEW MEXICO**

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appears to the Oil Conservation Division that Order No. R-12809, dated September 14, 2007, does not correctly state the intended order of the Division.

IT IS THEREFORE ORDERED:

(1) Finding Paragraph 2 of Order No. R-12809 is replaced with the following:

(2) The applicant, Versado Gas Processors, LLC as operated by Targa Resources, LLC (hereinafter collectively referred to as "Targa"), seeks authority to inject waste water and acid gas (hydrogen sulfide and carbon dioxide) into the San Andres formation, at a depth interval approximately 4500 feet to 5000 feet below the surface, through its proposed Versado AGI Well No. 1 (API No. 30-045-NA) which it proposes to drill at a location 2250 feet from the South line and 1200 feet from the West line (Unit L) of Section 27, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The purpose of the injection is to dispose of natural gas processing wastes from Versado's Eunice Gas Plant and South Eunice Compressor Station. This well will replace the South Eunice Compressor Station SWD Well No. 1 (API No. 30-025-21497) which is located 2580 feet from the South line and 1200 feet from the West line of said Section 27.

(2) Finding Paragraph 7(f) of Order No. R-12809 is replaced with the following:

(f) The wellhead will be equipped with a back pressure valve designed to maintain pressure on the waste stream in order to keep the wastes in a liquid phase.

(3) Finding Paragraph 19 of Order No. R-12809 is replaced with the following:

(19) The proposed operation is an environmentally superior means of disposing of wastes generated at the Eunice Gas Plant because it will provide for the sequestration of the greenhouse gases: hydrogen sulfide and carbon dioxide.

(4) Ordering Paragraph No. 8 of Order No. R-12809 is replaced with the following:

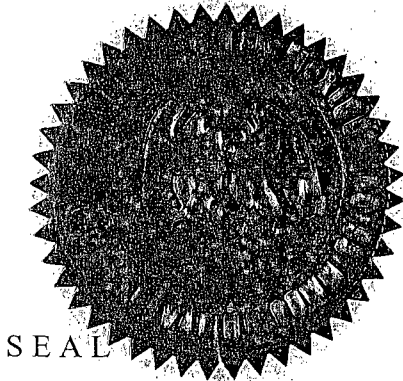
(8) Targa shall notify the District of the time of the setting of the tubing and packer and of any mechanical integrity test ("MIT") so such operations can be witnessed or inspected.

(5) The corrections set forth in this order shall be entered retroactively as of September 14, 2007.

(6) Except as modified hereby, Order No. R-12809 shall remain in full force and effect.

(7) Jurisdiction is retained for the entry of such further orders as may be necessary.

DONE at Santa Fe, New Mexico, on this 22nd day of October, 2007.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.
Director