MONTGOMERY & ANDREWS, P.A.

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March 26, 1998

TELECOPY COVER SHEET

TO:

Michael Stogner, OCD, Santa Fe 505-827-8177 Chris Williams, OCD, Hobbs 505-393-0720

FROM:

Edmund H. Kendrick

CLIENT NO .:

9781-97-01

TOTAL PAGES TO FOLLOW:

MESSAGE

Attached is a suggested letter to Mobil authorizing a 90-day extension to the injectivity test period for the three horizontal injection wells within the North Vacuum Abo Unit Pressure Maintenance Project. Also attached is a copy of the Division's December 12, 1997 letter authorizing the initial 90-day injectivity test period. Your consideration of this matter is appreciated.

NOTE: If you do not receive any of the pages, please call Donna Ormerod at (505) 986-2520.

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March 26, 1998

Mobil Exploration & Producing U.S. Inc. P. O. Box 633
Midland, Texas 79702

Attention: Ms. Shirley Houch ns

Re: Injectivity Test

North Vacuum Abo Unit PM Project

Lea County, New Mexico

Dear Ms. Houchins:

Reference is made to your request dated December 11, 1997, for authorization to commence injection into the following described horizontal injection wells within the North Vacuum Abo Unit Pressure Maintenance Project:

WELL HAME

WELL LOCATION

NVAU No. 136 (API No. 30-025-23462)	Unit D, Section 26, T-17S, R-34E
NVAU No. 156 (API No. 30-025-23696)	Unit J, Section 23, T-17S, R-34E
NVAU No. 213 (API No. 30-025-23982)	Unit N, Section 23, T-17S, R-34E

By letter dated December 12, 1997, Division Director William J. LeMay authorized Mobil Exploration & Producing U.S. Inc. ("Mobil") to commence a 90-day injectivity test on the above-described wells. I inderstand that Mobil commenced injection into these wells on December 27, 1997. Mobil filed an Application with the Division and a hearing was held on February 19, 1998 before Division Hearing Examiner Michael Stogner in Case No. 11929 to amend the injection permits for these wells to allow horizontal injection, to establish an administrative procedure whe eby additional injection wells within the North Vacuum Abo Unit may be drilled and completed as horizontal injection wells, and to qualify this project as an EOR Project pursuant to the New Mexico Enhanced Oil Recovery Act.

I understand that Mobil has requested an extension of the 90-day injectivity test period while its Application is being considered by the Division. Mobil is hereby authorized to continue an injectivity test on the above-described wells for a 90-day period from March 27, 1998, provided however, that the operator shall be subject to all applicable Division Rules and Regulations during this test injection period.

If you should have any questions, please contact Mr. David Catanach at (505) 827-8284 [or Mr. Michael Stogner: it (505) 827-8185?].

Sincerely,

Lori Wrotenbery Director

LW:dlo



NEW MEXICO ENERGY. MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVIS 2040 South Pacheen Stree Sante Fo, New Hexico 47% (505) 827-7131

December 12, 1997

Mobil Exploration & Producing U.S., Inc. P.O. Box 633 Midland, Texas 79702

Attention: Ms. Shirley Flouchins

Re:

Injectivity Test

North Vacuum A bo Unit PM Project

Lea County, Nev Mexico

Dear Ms. Houchins:

Reference is made to your request dated December 11, 1997, for authorization to commence injection into the following described horizontal injection wells within the North Vacuum Abo Unit Press re Maintenance Project:

WEIL NAME

NVAU No. 136	(API No. 30-025-23462)	Unit D, Section 26, T-17S, R-34E
NVAU No. 156	(API No. 30-025-23696)	Unit J, Section 23, T-17S, R-34E
NVAU No. 213	(API No. 30-025-23982)	Unit N. Section 23, T-17S, R-34F

It is our understanding that these wells, which were originally drilled and permitted as conventional vertical injection wells, have recently been horizontally drilled within the Abo formation in order to increase the sweep efficiency of the pressure maintenance operations. It is further our understanding that Mobil Exploration & Producing, U.S. Inc., will request a Division hearing in January, 1998, to amend the injection permits for these wells, to establish an administrative procedure whereby additional injection wells within the North Vacuum Abo Unit may be drilled and completed as horizontal injection wells, and to qualify this project as an EOR Project pursuant to the "I'ew Mexico Enhanced Oil Recovery Act".

Mobil Exploration & Producing U.S. Inc., is hereby authorized to commence a 90-day injectivity test on the abo re-described wells, provided however that the operator shall be subject to all applicable Division Rules and Regulations during this test injection period.

If you should have any questions, please contact Mr. David Catanach at (505) 827-8184.

Sincerely,

William J. LeMay

Director

OCD-Hobbs X¢:

Füe-PMX-138

Case File-4831

** TOTAL PAGE.003 **