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 (Re-Opened) ORDER NO. R-12809-B

APPLICATION OF TARGA MIDSTREAM SERVICES, LP TO EXTEND THE DEADLINE TO COMMENCE INJECTION OF ACID GAS INTO AN APPROVED INJECTION WELL, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

THE DIVISION FINDS THAT:

- (1) Targa through its attorney has petitioned in writing to extend the deadline to begin injection into the proposed Versado AGI Well No. 1 to be located 2250 FSL, 1200 FWL, within Unit L of Section 27, T22S R37E, NMPM, Lea County New Mexico. Said well was approved for injection of acid gas by Division Order No. R-12809, as amended, in Case No. 13865.
- (2) The following reasons were cited by Targa in this request: (i) additional time is needed to plug nearby wells required in the order; and (ii) the location of this acid gas injection well may be moved if approved by the Division in an upcoming hearing.
- (3) Targa's request should be granted and the deadline to commence injection should be extended by one calendar year until September 14, 2009.

IT IS THEREFORE ORDERED:

- (1) Targa's request is granted and the deadline to commence injection into the proposed Versado AGI Well No. 1 to be located 2250 FSL, 1200 FWL, Unit L of Section 27, T22S R37E, NMPM, Lea County New Mexico, is hereby extended until September 14, 2009.
- (2) Ordering Paragraph (17) of Division Order No. R-12809 is hereby modified to read as follows:

"The injection authority herein granted shall terminate September 14, 2009, if the operator has not commenced injection operations pursuant hereto; provided however, the Division director, upon written request of the operator received by the Division prior to September 14, 2009, may extend this time for good cause shown."

- (3) Except as modified hereby, Order No. R-12809 shall remain in full force and effect.
 - (4) Jurisdiction is retained for the entry of such further orders as may be necessary.

DONE at Santa Fe, New Mexico, on this day of August 2008

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.

DIRECTOR

SEAL