

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



June 2, 2016

Mr. Ryan Warmke
Chevron USA, Inc.
15 Smith Road
Midland, TX 79705

RE: Packer Setting Depth Exception

Injection Authority: Division Order No. R-6857
Pool: North Vacuum Abo Pool (Pool code 61760)
North Vacuum Abo West Unit No. 18 (API 30-025-23887)
Unit F, Sec 27, T17S, R34E, NMPM, Lea County, New Mexico

Mr. Warmke:

Reference is made to your request on behalf of Chevron USA, Inc. (OGRID 4323; "Chevron") received by the Division on June 1, 2016, for the above named well. Chevron applied for exception for setting the packer within 100 feet of the top perforation in the injection interval.

It is our understanding that Chevron has maintained a previous packer setting depth of 8563 feet below surface or approximately 81 feet above the uppermost perforation of the injection well. Following repairs to the injection well, Chevron stated that the packer was set at 8511 feet below surface to obtain a proper seal for the tubing packer. As a result, Chevron requests an exception for the current packer depth at 8511 feet below surface. This location of the packer is approximately 133 feet above the shallowest perforation at 8644 feet, and is below the correlated upper limit of the Unitized Formation at 8448 feet below surface.

For the reasons stated in the application and because it appears that correlative rights are protected, waste will not occur and this modification will not endanger any fresh water aquifer or the environment, the exception is granted. The packer location within this well shall not be set higher than 133 feet above the current top perforation depth unless the operator receives written approval from the Division Director.

Packer Setting Depth Exception

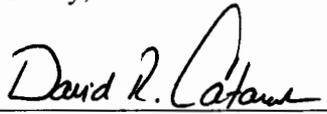
Chevron USA, Inc.

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The Division Director may rescind this exception if it becomes apparent that the injected fluid is not being confined to the permitted interval or is endangering any fresh water aquifer.

Sincerely,



DAVID R. CATANACH

Director

DRC/prg

cc: Oil Conservation Division – Hobbs District Office

Case File No. 7400

Well File API 30-025-23887