Susana Martinez Governor

John H. Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Director Oil Conservation Division



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March 29, 2012

Oxy Permian, Ltd. Attn: Mr. Jerad Brockman P.O. Box 4294 Houston, TX 77210

Re: South Hobbs Grayburg San Andres Unit COOP Well No. 11(API No. 30-025-28970)

South Hobbs Grayburg San Andres Unit (19552) 2500 FSL and 1660 FWL, Unit K Section 34, T18S, R38E, NMPM, Lea County Permitted SWD-Grayburg San Andres Pool (31920)

You have submitted a request on behalf of Oxy for clarification of the allowable packer setting depth.

Your sundry requests a new packer setting depth of 4128 feet while the existing permit states the allowable packer; setting depth is "approximately 4100 feet". Your sundry also states the well's permitted injection interval is currently 4259'-4363'.

Records indicate the top of the unitized interval is approximately 3899 feet. The requested packer seat is within the unitized interval and should be approved.

The well shall pass a mechanical integrity test ("MIT") prior to commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC.

Your new packer seat at 4128 feet is hereby approved.

Sincerely,

Jami Bailey Director

JB/tw cc: Oil Conservation Division – Hobbs File: API No. 30-025-28970&PMX-130

> Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 * Phone: (505) 476-3440 * Fax (505) 476-3462* http://www.emnrd.state.nm.us

APR 1 7 2012

1 53] [COMPANY	Occidental Permian		CASING	LINER	TUBING	OPEN HOLE	PERFS	
			WELL	SHOU COOP 11	SIZE	5 1/2"		2 3/8"			
			FIELD	Hobbs	WEIGHT	15.5#		4.70#			
, Y			COUNTY	Lea	GRADE	K-55		J-55			
	1		STATE	New Mexico	DEPTH	4410'		4118.99'		4259'-4363'	
			DATE	January 26, 2012		Rnd Short		Eu 8rd		4200 4000	
					THREAD	Kilu Short	MAX OD	MINID	LENGTH	DEPTH	
		╽┟	ITEM	DESCRIPTION			INCHES	INCHES	FEET		
		╎┟		Corrected Elevation 1 Jt 2 3/8" Eu 8rd 4.70# J-55 Duoline 20 Tubing			2.070	4 750	6.00	6.00	
	2	╎┟	1 2	Pup and Collar 2 3/8" Eu 8rd 4.70# J-55 Duoline 20 Tubing			3.070 3.070	1.750 1.750	32.10 10.05	38.10	
	3	۱ŀ	3	Pup and Collar 2 3/8" Eu 8rd			3.070	1.750	8.05	48.15	
			4	Pup and Collar 2 3/8" Eu 8rd			3.070	1.750	6.04	56.20	
			5	Pup and Collar 2 3/8" Eu 8rd			3.070	1.750	4.05	62.24	
			6	Pup and Collar 2 3/8" Eu 8rd			3.070	1.750	1.10	66.29	
112-2-14 14-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1			7	126 Jts 2 3/8" Eu 8rd 4.70# J			3.070	1.750	4051.60	67.39	
			8	5 1/2" x 2 3/8" T-2 On/Off Too	ol with 1.500" "F"		4.500	1.500	1.65	4118.99	
			9	5 1/2" x 2 3/8" x 14-20# Arrov	wset 1-X Double Grip		4.625	1.997	7.20	4120.64 4127.84	
			10	2 3/8" Eu 8rd Box Pump Out	Plug with Aluminum	Slug	3.070	1.995	0.45	4127.84	
	5									4120.29	
				Elevation-10.00'							
				· .							
	6	╿┠		"T-2" - New					۵		
		╽┟		"T-2" - J-Slot / Centering Rin		c Coated					
		╽┟		"T-2" - Viton Seals and O-Rin	-						
		╎┟		"T-2" - Landed with 11,000# Compression "T-2316 Stainless Steel Seal Body							
	7	1		1-2316 Stainless Steel Se	ai Body	,					
One of the				"AS1-X" - Internally and Exte	rnally Plastic Coated						
				"AS1-X" - 2 Upper and 2 Low							
			"AS1-X" - Mandrel Internally and Externally Nickel Plate			I Plated					
				"AS1-X" - Viton Elements, O-Rings, and Valve							
	8			"AS1-X" - 2 3/8" Eu 8rd .316	S.S. Top Connection			,			
				"AS1-X" - New							
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	9										
		ļĽ	PREPARED FOR Wayne Kostelich								
			PREPARED	Jason Allen			Phone: 806-215-4095				
and the second		2902 Quail Ridge Road									
				605		P.O. Box 842					
10 2902 Quail Ridge R 10 P.O. Box 842 SCHLEHUBER Denver City, Texas 7 0il tools, llc (806) 592-5045								323			
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