OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

ADMINISTRATIVE ORDER NO. PMX-194

APPLICATION OF SOUTHWEST ROYALTIES, INC. TO EXPAND ITS PRESSURE MAINTENANCE PROJECT IN THE FLYING 'M' SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3229, Southwest Royalties, Inc. has made application to the Division on February 23, 1998 for permission to expand its Flying "M" San Andres Unit Pressure Maintenance Project in the Flying 'M' San Andres Pool in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced pressure maintenance project will not cause waste nor impair correlative rights.
 - (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Southwest Royalties, Inc., be and the same is hereby authorized to inject water into the San Andres formation at approximately 4476 feet to approximately 4550 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforation in the wells described in Exhibit 'A' attached hereto for purposes of pressure maintenance.