

NEW I EXICO ENERGY, M. JERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Director

Oil Conservation Division

November 28, 2001

Phillips Petroleum Company 4001 Penbrook Street Odessa, Texas 79762

Attention: Celeste Dale

Re:

East Vacuum Grayburg San Andres Unit

Tertiary Recovery Project

Dear Ms. Dale:

Pursuant to your request dated November 1, 2001, Phillips Petroleum Company is hereby authorized to inject water, carbon dioxide and produced gas into the Grayburg-San Andres formation through the following described six wells that have previously been approved as water injection wells within the East Vacuum Grayburg-San Andres Unit Tertiary Recovery Project:

| Tract & Well No. | API No. | Well Location | Permit No. |
|------------------|--------------|----------------------------------|------------|
| EVGBSAU 2963-005 | 30-025-26861 | Unit M, Section 29,T-17S, R-35E | PMX-101 |
| EVGBSAU 3236-008 | 30-025-26865 | Unit E, Section 32, T-17S, R-35E | PMX-95 |
| EVGBSAU 3127-007 | 30-025-26864 | Unit J, Section 31, T-17S, R-35E | PMX-88 |
| EVGBSAU 3127-006 | 30-025-26863 | Unit J, Section 31, T-17S, R-35E | PMX-90 |
| EVGBSAU 3127-005 | 30-025-26862 | Unit P, Section 31, T-17S, R-35E | PMX-91 |
| EVGBSAU 0524-005 | 30-025-26856 | Unit E, Section 5, T-18S, R-35E | PMX-95 |

Injection into each of these wells shall not exceed the following-described surface injection pressure:

Water—1350 psig CO₂ and Produced Gas-1850 psig

All other provisions contained within Division Orders No. PMX-101, PMX-95 PMX-88, PMX-90 and PMX-91 not inconsistent with the provision set forth by this approval, shall remain in full force and effect.

Sincerely,

Lori Wrotenbery

Director

Xc:

OCD-Hobbs

File-PMX-101, PMX-95,

PMX-88, PMX-90,

PMX-91

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