

Case No. 12885
Order No. R-10541-A
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IT IS THEREFORE ORDERED THAT:

(1) The application of Armstrong Energy Corporation to reinstate Division Order No. R-10541 and authorize pressure maintenance operations within the SW/4 of Section 2, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, is hereby approved.

(2) Ordering Paragraphs No. (1), (4), (6) and (17) of Division Order No. R-10541 are hereby amended to read as follows:

"(1) The applicant, Armstrong Energy Corporation, is hereby authorized to institute a pressure maintenance project on a portion of its Mobil Lea State Lease by the injection of produced water into the third sand interval of the Cherry Canyon formation of the Delaware Mountain group in its proposed Mobil Lea State Well No. 8 to be drilled at a standard location 330 feet from South line and 1650 feet from the West line (Unit N) of Section 2, Township 20 South, Range 34 East, NMPM, Northeast Lea-Delaware Pool, Lea county, New Mexico.

(4) Injection into the Mobil Lea State Well No. 8 shall be through 2 7/8-inch internally lined or coated tubing with injection into the perforated interval from approximately 5,930 feet to 5,970 feet.

(6) The Mobil Lea State Well No. 8 or its pressurization system shall be equipped with a pressure-limiting switch or other acceptable device that will limit the wellhead pressure on the injection well to no more than 1186 psi.

(17) The injection authority granted herein for the Mobil Lea State Well No. 8 shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause."

(3) Order No. R-10541 is hereby revived, and shall continue in effect except as hereby amended.

(4) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.