



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

FOR RECORD ONLY

December 13, 1999

ARCO Permian
C/O Mr. William F. Carr
Campbell, Carr, Berge & Sheridan, P.A.
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

**RE: Reinstatement of Injection Authorization
South Justis Unit Waterflood Project**

Dear Mr. Carr:

Reference is made to your request dated November 29, 1999, to reinstate injection authority for 15 wells originally permitted for injection by Division Order No. R-9747. My staff has considered your request and, pursuant to Rule 705.C., reinstatement of authority to inject is hereby granted subject to the following provisions:

- a) prior to commencing injection into these wells, each well shall be pressure tested throughout the interval from the surface to the proposed packer setting depth; and.
- b) the injection pressure for each of these wells shall be limited to 0.2 psi per foot of depth to the uppermost injection perforation.

<i>Well Name and Number</i>	<i>Location</i>
South Justis Unit Tract C No. 160	UL 'G', S-14, T-25S, R-37E
South Justis Unit Tract B No. 110	UL 'C', S-11, T-25S, R-37E
South Justis Unit No. 293	UL 'I', S-36, T-25S, R-37E
South Justis Unit Tract F No. 230	UL 'C', S-25, T-25S, R-37E
South Justis Unit Tract E No. 190	UL 'D', S-24, T-25S, R-37E
South Justis Unit Tract F No. 240	UL 'F', S-25, T-25S, R-37E
South Justis Unit Tract F No. 250	UL 'K', S-25, T-25S, R-37E
South Justis Unit Tract G No. 230	UL 'B', S-25, T-25S, R-37E
South Justis Unit Tract G No. 240	UL 'G', S-25, T-25S, R-37E
South Justis Unit Tract G No. 250	UL 'J', S-25, T-25S, R-37E
South Justis Unit Tract H No. 230	UL 'A', S-25, T-25S, R-37E

Reinstatement of Authority to Inject

ARCO Permian

December 13, 1999

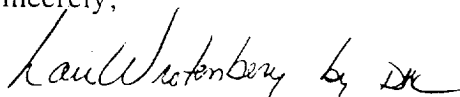
Page 2

<i>Well Name and Number</i>	<i>Location</i>
South Justis Unit Tract H No. 232	UL 'A", S-25, T-25S, R-37E
South Justis Unit Tract H No. 242	UL 'H', S-25, T-25S, R-37E
South Justis Unit Tract H No. 260	UL 'P', S-25, T-25S, R-37E
South Justis Unit Tract I No. 260	UL 'M', S-30, T-25S, R-38E

The Division Director may authorize an increase in injection pressure upon a proper showing by the operator of the subject wells that such higher pressure will not result in migration of the injected fluid from the Blinbry-Tubb-Drinkard formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The injection authority granted herein shall terminate on December 13, 2000, if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Sincerely,



Lori Wrotenbery
Director

LW/DRC/kv

cc: Oil Conservation Division - Hobbs
Case File: 10554