

(17) Based on the evidence, the lack of cement across the injection interval in the Kaiser-Francis Oil Company Pure Gold "A" Federal Well No. 1 is unlikely to cause migration of fluids out of the injection zone.

(18) To assure that fluids do not migrate out of the injection zone through the Pure Gold "A" Federal Well No. 1, the operator should:

- (a) monitor on a monthly basis the production volumes of gas, oil and water in the Pure Gold "A" Federal Well No. 3 (API No. 30-015-27616) located 530 feet from the South line and 1650 feet from the West line (Unit N) of Section 21;
- (b) using 0 to 1,000 psi gauges, observe and record on a monthly basis the pressures on the annuli between the intermediate and production casings and between the production casing and tubing in the Pure Gold "A" Federal Well No. 1; and
- (c) report the results to the Division's Artesia District Office by the 15th of the month following the end of each calendar quarter.

(19) The injection of water into the Pure Gold "B" Federal Well No. 20 should be accomplished through 2-7/8 inch internally plastic-lined tubing installed in a packer set at approximately 7,645 feet. The casing-tubing annulus should be filled with an inert fluid and a gauge or approved leak-detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(20) Prior to commencing injection operations into the Pure Gold "B" Federal Well No. 20, the casing should be pressure tested throughout the interval from the surface down to the proposed packer setting to assure the integrity of the casing.

(21) The injection well or pressurization system should be equipped with a pressure control device or acceptable substitute that will limit the surface injection pressure to no more than 1,540 psi.

(22) The operator should give advance notice to the supervisor of the Division's Artesia District Office of the date and time (i) injection equipment will be installed and (ii) the mechanical integrity pressure test will be conducted on the Pure Gold "B" Federal Well No. 20, so these operations may be witnessed.

(23) The pressure maintenance project should be governed by Division Rules No. 701 through 708.