Ozniol- 15847 Respecty- 8431 Apol- 57830

IT IS THEREFORE ORDERED: WFX 477

That the applicant, McClellan Oil Corporation, be and the same is hereby authorized to inject water into the Queen formation through plastic-lined tubing set in a packer at approximately 1950 feet in the following described wells for purposes of secondary recovery, to wit:

11-5-79

Sulimar Queen Unit Tract 1 Well No. 3 located in Unit C and Sulimar Queen Unit Tract III Well No. 1 located in Unit A, both in Section 24, Township 15 South, Range 29 East, NMPM, Chaves County, New Mexico.

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

That the operator shall notify the supervisor of the Division's Artesia District Office before injection is commenced through said well;