

hereby authorized to utilize its Federal AK Well No. 1, located in Unit I of Section 3, Township 19 South, Range 25 East, NMPM, Penasco-Wolfcamp Pool, Eddy County, New Mexico, to dispose of produced salt water into the Abo formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4350 feet, with injection into the perforated interval from approximately 4411 feet to 4464 feet;

<u>PROVIDED HOWEVER</u>, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.