(Unit N) of Section 21, the 9-5/8 inch production casing was set at 12,398 feet and cemented with 1,450 sacks of cement. Division records further indicate that the cement top is at 7,850 feet as determined by temperature survey.

(14) Division Order No. R-12246 required that, before commencing injection operations into the Pure Gold "B" Federal Well No. 20, the applicant cement the production casing within the Pure Gold "A" Federal Well No. 1 across and above the proposed injection interval.

(15) The applicant appealed Order No. R-12246 to the Oil Conservation Commission as to the requirement set forth in Finding Paragraph (14) above. After a hearing on the appeal, the Oil Conservation Commission remanded the case to the Division to receive and consider evidence related to Finding Paragraph (14) not presented at the original Division hearing.

(16) At the hearing on remand, the applicant presented evidence indicating that:

(a) the Kaiser-Francis Oil Company Pure Gold "A" Federal Well No. 1 was completed in May 1982, and currently produces from the Atoka formation. The well is not cemented across a portion of the Delaware interval, but it has two strings of casing cemented across the fresh water zones. It was properly cased and cemented under regulations in effect at the time the well was drilled and completed;

(b) the Pure Gold "A" Federal Well No. 1 is located just within the ½-mile radius of the "area of review";

(c) Pogo will inject produced Delaware water into the Pure Gold "B" Federal Well No. 20, and thus there will be no change in the character of the fluid near the wellbore of the Pure Gold "A" Federal Well No. 1;

(d) the pressure in the Delaware interval was approximately 3550 psi when the Pure Gold "A" Federal Well No. 1 was completed, and it is currently about 900 psi;

(e) in the proposed project, there are three producing wells between the injector and the Pure Gold "A" Federal Well No. 1; and

(f) the Pure Gold "A" Federal Well No. 1 produces at a rate of approximately 150 MCFGPD, and has estimated reserves of 400 MMCF. To cement the production casing, the well will have to be killed, which will risk damaging the existing completion, and reserves may be lost.