

project area is the "BC-2" interval, which is below the "BC-4" interval. The "BC-2" interval may be in pressure communication with the "BC-4" interval due to fracture stimulations and, as a result, may benefit from pressure maintenance operations within the pilot project area.

(6) The applicant proposes to use eight producing wells within the pilot project area, identified as follows:

<u>Well Name & Number</u>	<u>API Number</u>	<u>Well Location</u>
Pure Gold "B" Fed. No. 3	30-015-27237	SW/4 SE/4 (Unit O) Section 20
Pure Gold "B" Fed. No. 4	30-015-27238	SE/4 SE/4 (Unit P) Section 20
Pure Gold "B" Fed. No. 5	30-015-27289	NE/4 SE/4 (Unit I) Section 20
Pure Gold "B" Fed. No. 6	30-015-27290	NW/4 SE/4 (Unit J) Section 20
Pure Gold "A" Fed. No. 2	30-015-27243	SW/4 SW/4 (Unit M) Section 21
Pure Gold "A" Fed. No. 4	30-015-27388	NW/4 SW/4 (Unit L) Section 21
Pure Gold "D" Fed. No. 2	30-015-26987	NW/4 NW/4 (Unit D) Section 28
Mobil Fed. No. 4	30-015-27114	NE/4 NE/4 (Unit A) Section 29

(7) The producing wells within the pilot project area currently produce at average rates of approximately 19 BOPD and 227 MMCFGPD.

(8) As a result of implementing pressure maintenance operations, the applicant estimates that 127,000 barrels of oil and 177 MMCF of gas will ultimately be recovered from the pilot project area that would otherwise not be recovered, thereby preventing waste.

(9) The applicant estimates that \$150,000 in capital costs will be required to initiate pressure maintenance operation within the pilot project area.

(10) The proposed pilot pressure maintenance project should be approved.

(11) The Pure Gold "B" Federal Well No. 20 was drilled in March 1999, and was originally to be a producing well. However, Pogo has not completed the well as a producer in order to preserve its useability as an injection well.

(12) The applicant proposes to inject into the Pure Gold "B" Federal Well No. 20 through the perforated interval from approximately 7,695-7,774 feet. The evidence indicates that the Pure Gold "B" Federal Well No. 20 is cased and cemented adequately so as to preclude the migration of fluid from the proposed injection zone.

(13) There is a well located within the 1/2-mile "area of review" of the Pure Gold "B" Federal Well No. 20 that is not cemented across and above the proposed injection zone. Division records indicate that within the Kaiser-Francis Oil Company Pure Gold "A" Federal Well No. 1, located 800 feet from the South line and 1980 feet from the West line