Case No. 7947 Order No. R-7355

(2) That the injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 660 psi.

(3) That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Delaware formation.

(4) That the applicant shall determine the top of the cement on the 9 5/8-inch casing by means of a cement bond log.

(5) That if the top of cement on the 9 5/8-inch casing is determined to be below 3,290 feet, the supervisor of the Division's Artesia district office may require such casing to be recemented.

(6) That the operator shall notify the supervisor of the Artesia district office of the Division of the date and time of running the cement bond long and the installation of disposal equipment so that the same may be inspected.

(7) That the operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(8) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 706 and 1120 of the Division Rules and Regulations.

(9) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO QLL CONSERVATION DIVISION

JOE D. RAMEY Director

SEAL