

VII.

1. Proposed average and maximum daily rate @ 15,000 BWPd and 30,000 BWPd, respectively.
2. System is closed.
3. Proposed average and maximum daily pressure @ 1000 psig and 2100 psig.

VIII.

The proposed injection zone for the Cisco-Canyon produced water is the Devonian formation from 9,500' to 10,000' MD. Lithologically the Devonian formation consists of dolomite and cherty dolomites characterized by intercrystalline and vugular porosity. The proposed injection zone will be an open-hole interval. The total Devonian thickness in the area is 500 feet. There are no known sources of drinking in the immediate area of the proposed salt-water disposal well.

IX.

Proposed stimulation program consists of approximately 8,000 gallons of 15% NEFEHCL with nitrogen and assumes 500 feet of treating interval.

X.

After penetrating the top of the Devonian formation, the attached logging program will be run from the Devonian to surface casing. It should be noted Kerr McGee has no plans to run logs across the 500 feet of openhole Devonian section.

XI.

Kerr McGee has reviewed the available geologic and engineering data and has concluded that there is no known underground source of drinking water with open faults or other hydrologic connection which could communicate with the disposal water