Administrative Order WFX-766 Stephens & Johnson Operating Company November 8, 2000 Page 3

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well(s), provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 8th day of November, 2000.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBER

Director

SEAL

cc: Oil Conservation Division - Hobbs

Case File No.3340 (Order No. R-3001)