Texaco Exploration & Production Inc.		
H. D. McKinley No. 9	30-025-23221	Unit G, Section 30, T-18S, R-38E

(16) The Hobbs Gb/SA Unit Wells No. 412 and 112 are currently completed as producing wells within the Hobbs Grayburg-San Andres Pool. Both of these wells are perforated in the Hobbs-Upper Blinebry and Hobbs-Drinkard Pools, and both lack a cast iron bridge plug (CIBP) or other mechanical device that would provide separation between these two pools. The H. D. McKinley Well No. 9 is an inactive producing well in the Hobbs-Upper Blinebry and Hobbs-Drinkard Pools. This well currently has a CIBP set above the Hobbs-Upper Blinebry Pool, but is not equipped with a CIBP or other mechanical device that would provide separation between the Hobbs-Upper Blinebry and Hobbs-Drinkard Pools in the wellbore.

(17) Prior to commencing injection operations into any proposed injection well located within one-half mile of the Hobbs Gb/SA Unit Wells No. 412 and 112, or the H. D. McKinley Well No. 9, Texland should be required to consult with the Hobbs District Office of the Division, Occidental and Texaco Exploration and Production Inc., to devise and execute a plan whereby remedial work will be conducted on these wellbores in order to effectively isolate the Hobbs-Upper Blinebry Pool from the Hobbs-Drinkard Pool.

(18) The operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(19) Injection should be accomplished through 2 3/8-inch internally plastic-lined tubing installed in a packer set within 100 feet of the uppermost injection perforation in each well. The casing-tubing annulus should be filled with an inert fluid and a gauge or approved leak-detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(20) The injection wells or pressurization system should be equipped with a pressure control device or acceptable substitute that will limit the surface injection pressure to no more than 1140 psi.

(21) Prior to commencing injection operations, the casing in each well should be pressure tested throughout the interval from the surface down to the proposed packer setting depth to assure the integrity of such casing.