

Case No. 11982
Order No. R-11046
Page 4

benefit from injection; and

(f) with the pressure maintenance project, the wells in the project area will recover approximately 255,000 barrels of additional incremental oil production from the "BC-4" zone through the expenditure of an estimated \$160,000.00 to convert the Prize Federal Well No. 4 to injection, the addition of injection and production facilities, and the removal of bridge plugs in certain producing wells.

(8) The applicant owns 100% of the operating rights of the two subject leases, and thus will bear the full cost of the project.

(9) The proposed pressure maintenance project should result in the recovery of otherwise unrecoverable oil thereby preventing waste, promotes sound engineering practices, is in the best interest of conservation, and will not impair correlative rights.

(10) The applicant submitted data on the proposed injection well and all other wells which penetrate the zone of interest within the one-half mile "area of review" of the proposed injection well. The data shows that wells in the area are cased and cemented so as to protect fresh water and prevent fluid migration from the injection zone, and includes testimony indicating no evidence of open faults or any other hydrologic connection between the injection zone and any fresh water resources in the area.

(11) 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 into other formations or onto the surface from injection, production, or plugged and abandoned wells.

(12) Injection into the proposed injection well should be accomplished through 2-7/8 inch plastic lined tubing installed in a packer set no higher than 100 feet above the uppermost perforation; the casing-tubing annulus should be filled with an inert fluid; and a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leaks in the casing, tubing, or packer.

(13) The injection well should be initially equipped with a pressure control device or acceptable substitute which will limit the surface injection pressure at the wellhead to no more than 1360 psi.

(14) The Division Director should have the authority to administratively authorize