## ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A Dugan Production Corporation made application to the New Mexico Oil Conservation Commission on October 26, 1976 for permission to dually complete its Sherman Edward Well No. 2, located in Unit M of Section 3, Township 29 North, Range 5 West, NEPM, Ric Arriba County, New Mexico, in such a manner as to permit production of gas from the Pictured Cliffs formation and from the Hanco-Messaverde Pool.

How, on this 15th day of Hovember, 1976, the Secretary-Director finds:

- (1) That application has been duly filed under the provisions of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That no objections have been received within the waiting period as prescribed by said rule.
- (4) That the proposed dual completion will not cause waste nor impair correlative rights.
- (5) That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

## IT IS THEREPORE ORDERED:

That the applicant herein, Dugan Production Corporation, be and the same is hereby authorized to dually complete its Sherman Edward Well No. 2, located in Unit M of Section 3, Township 29 North, Range 5 West, MEMM, Rio Arriba County, New Mexico, in such a manner as to permit production of gas from the Pictured Cliffs formation and from the Blanco-Messaverde Pool through parallel strings of tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A.

PROVIDED FURTHER, That applicant shall take macker-leakage tests upon completion and annually thereafter during the Annual Deliverability test period for the Blanco-Messverde Pool.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION CORNISSION

JOE D. RAMEY Secretary-Director

SEAL

