

Case No.

387

Application, Transcript,
Small Exhibits, Etc.

CASE 387: Amerada application for dual com-
pletion State 'YA' #1, SMSW 24-11S-32E
SPECIAL HEARING JULY 24, 1952

JUL 28 1952
RECEIVED

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

TRANSCRIPT OF HEARING

Case N o. 387

July 24, 1952.

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1302
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

CASE 387

In the matter of the application of Amerada Petroleum Corporation for an order permitting dual completion of its State "MA" No. 1 well, Moore-Devonian pool, SW/4 SW/4 Sec. 24, T. 11 S, R. 32 E., NMPM, Lea County, New Mexico, in such a manner as to produce oil from the Devonian formation and gas from the Wolfcamp formation.

BEFORE: Hon. R. R. Spurrier, Secretary and Member.

(See Transcript of case 386 for register of attendance.)

MR. SPURRIER: Mr. Christie, Case No. 387.

R. S. CHRISTIE, having been first duly sworn, made the following statement:

MR. CHRISTIE: My name is R. S. Christie. I work for the Amerada Petroleum Corporation as division engineer for Texas-New Mexico.

MR. SPURRIER: You have been qualified several times before the Commission.

MR. CHRISTIE: Yes, sir.

MR. SPURRIER: Go ahead with your testimony.

MR. CHRISTIE: This is an application of the Amerada Petroleum Corporation for permission to dually complete its State "MA" Well No. 1, located in the SWSW of Sec. 24, T. 11 S, R. 33 E, NMPM in the Moore-Devonian Pool, Lea County, New Mexico.

I would like to present as Exhibit No. 1 an area map

showing the location of the subject well and surrounding drilling wells in the area. At the present time there is only one completed well in this Moore-Devonian Pool, which is the Texas Company's Moore No. 1. And which is completed in the Devonian formation as an oil well.

As Exhibit No. 2 I will present some pertinent data pertaining to this State "MA" No. 1. The pertinent data sheet shows the location of the well, the spudding date, completion date, and the casing program, formation tops from the Wolfcamp to the Devonian, the perforated section in the Wolfcamp formation and the Devonian formation, and the potentials of the two producing formations. The potential of the Wolfcamp flowed 40.55 bbls of condensate in 14 hours through casing, 10 hours on 12/64" choke with the rate of 1,480 MCF per day with gas condensate ratio of 25,965 cu. ft.; and 4 hours on 16/64" chock at the rate of 2,460 MCF per day, 460 MCF rather, per day, with gas condensate ratio of 24,375 cu ft. Corrected gravity was 60.6° API. The well stabilized on the 12/64" choke at a casing pressure of 1,700 lbs. And the last hour on the quarter-inch choke the casing pressure was 1,550 lbs. The shut-in pressure was 2,100 lbs.

The potential on the Devonian was 677 bbls of oil in 20 hours on a 3/4" choke, and tubing pressure of 60 lbs., gas volume of 17,790 cu. ft. per day. Gas-oil ratio was 22 cu. ft. per barrel. There is an error in that (referring to the exhibit). This would give a 24-hour potential of 812 bbls

per day. The gravity of the Devonian oil was 46.6° API corrected.

As Exhibit No. 3 I would like to present a Schlumberger of the subject well, which shows the tops of the Wolfcamp formation and the other pertinent tops from the Wolfcamp on down to the Devonian; the top of the Pennsylvanian, and so forth.

As Exhibit No. 4 I present a diagrammatic sketch of the dual completion on the subject well. This diagram shows the equipment that has been placed in the well. And you will note we have a packer set at 8,563 ft., which separates the Wolfcamp from the Devonian. Just above the packer we have an Otis removable separation tool, which separates the two zones. By running straight through the separation tool you blank off the upper zone or gas from the casing, and produce from the Devonian. To produce the upper zone through the tubing it is necessary to blank off the lower zone by a blank assembly. The casing is perforated opposite the Wolfcamp from 8150 to 8195. The casing perforations in the Devonian are from 10,450 to 10,500. Tubing is set at 10,668, and perforations from 10,664 to 10,668. Five and $1/8$ casing set at 10,700. And the drilled out depth is 10,676. You will note the top of the cement between the $5\frac{1}{2}$ and 8-5/8 is at 7,393.

At the present time, the well is completed with production coming through the casing, gas production coming from

the casing, and oil production through the tubing.

For the record, I would like to state that we had permission to dually complete the well by authority of a telegram dated 23 June 1952 and signed by R. R. Spurrier.

Therefore, Mr. Commissioner, we ask permission to dually complete State "MA" No. 1 as a gas-oil dual completion, and permission to produce it under those conditions. As stated in our letter of June 24, the gas from this well, if approved, will be used for fuel purposes to rigs drilling in the general area. Our June report indicates we had 14 rigs tied onto our gas system that comes from the Bagley Siluro-Devonian field and the Bagley-Pennsylvanian field. At this time we are in need of extra gas because of our gas-lift system in the Bagley fields. And we would appreciate permission to produce gas from this well as soon as possible.

MR. SPURRIER: You are willing that the order of the Commission be similar to orders issued in the past on dual completions?

MR. CHRISTIE: Yes, sir. The gas, of course, is now shut in pending the decision of the Commission on the dual completion.

MR. MACEY: Do you have any idea about how much gas you intend to use?

MR. CHRISTIE: We estimate that about 1,000,000 cu. ft. a day for these drilling wells. Of course, that will be a

legal use. We would be entitled to produce that if the dual completion is approved.

MR. SPURRIER: You offer these exhibits as evidence in the record?

MR. CHRISTIE: Yes, sir, I do.

MR. SPURRIER: Without objection, they will be received. Mr. Christie, I will recommend to the Commission that your application be approved. And you will get an order signed as soon as the Commission will sign it, if the Commission will sign it.

MR. CHRISTIE: Thank you. Any questions?

MR. MACEY: I have no more.

MR. CHRISTIE: That is all I have. I might state for the record we have found no oil from the Wolfcamp in this area. All tests in the Wolfcamp have been gas.

MR. SPURRIER: That's all.

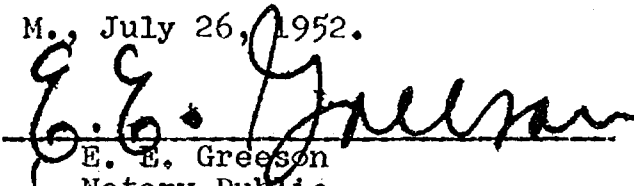
STATE OF NEW MEXICO

ss

COUNTY OF BERNALILLO

I HEREBY CERTIFY That the foregoing transcript is a true record of the matters therein contained.

DONE at Albuquerque, N. M., July 26, 1952.


E. E. Greeson
Notary Public

My Commission Expires: 8-4-52

June 24, 1952

AIR MAIL

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier,
Secretary.

In Re: Application of Amerada Petroleum
Corporation for permission to dually
complete its State "MA" Well No. 1,
located in SW/4 SW/4 Section 24,
Township 11 South, Range 33 East,
NMPM, Moore Devonian Pool, Lea County,
New Mexico. 32 4

Gentlemen:

Amerada Petroleum Corporation is currently drilling its State "MA"
Well No. 1, located in SW/4 SW/4 Section 24, Township 11 South Range 33 East,
Moore Devonian Pool, Lea County, New Mexico. 32 4

On a four-hour drill stem test from 8110 to 8172 (Wolfcamp formation)
the subject well produced at the rate of 10,236 Mcf daily, plus 51 barrels of
water white condensate.

Amerada is furnishing gas to approximately twelve drilling rigs in
the East Caprock and Moore Devonian area. This gas is being transported from
the Bagley and Hightower fields. The gas allowable from two gas wells in the
Hightower Pennsylvanian field has been reduced by an order of the Commission.
To supplement the gas supply from the Bagley and Hightower fields we propose
to dually complete the State "MA" No. 1 in such a manner that gas will be
produced through the annulus from the Wolfcamp and oil through the tubing from
the Devonian. The gas will be used as fuel to drilling rigs, a legal use.

Applicant represents that it is practical and economically feasible
to dually complete its State "MA" No. 1 to produce oil from the Devonian forma-
tion through the tubing and gas from the Wolfcamp formation through the annulus
with proper packer and well head connections.

New Mexico Oil
Conservation Commission

- 2 -

June 24, 1952

THEREFORE, applicant respectfully requests that the New Mexico Oil Conservation Commission set for hearing at its next regularly scheduled state-wide hearing, this application for permission to dually complete its State "MA" No. 1, now drilling in SW/4 SW/4 Section 24, Township 11 South, Range 33 East, Moore Devonian Pool, Lea County, New Mexico.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By

J. O. Hathaway
J. O. Hathaway
Division Superintendent

RSC/mw

New Mexico Oil
Conservation Commission

- 2 -

June 24, 1952

THEREFORE, applicant respectfully requests that the New Mexico Oil Conservation Commission set for hearing at its next regularly scheduled state-wide hearing, this application for permission to dually complete its State "MA" No. 1, now drilling in SW/4 SW/4 Section 24, Township 11 South, Range 83 East, 32 E Moore Devonian Pool, Lea County, New Mexico.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By

J. O. Hathaway

J. O. Hathaway
Division Superintendent

RSC/mw

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its designated character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1203

The time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Incl. Letter Telegram
VLT=Incl. Victory Ltr.

LA53 KB068

KATUCC36 PD=TULSA OKLA 25 956A=

NEW MEXICO OIL CONSERVATION COMMISSION=

R B SPURRIER SECY SANTAFE NMEX=

REFERENCE APPLICATION MAILED YESTERDAY ON OUR STATE MAIL

NOTE ERROR IN LOCATION SHOULD BE RANGE 32 EAST=

R S CHRISTIE AMERADA PETROLEUM CORP=

OR TULSA, OKLA. NEW MEXICO.
JUN 24 1952

W. P. Marshall

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

MA 32=

1952 JUN 25 AM 9 26

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent at a full rate telegram	
FULL RATE TELEGRAM	SERIAL
DAY LETTER	NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	DEFERRED
CODE	NIGHT LETTER

W. P. MARSHALL, PRESIDENT

CLASS OF SVC.	FD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

JUNE 23 1952

BEACON BUILDING
TULSA OKLAHOMA

CONFIRMING TELEPHONE CONVERSATION APPROVAL IS GRANTED TO DUALLY COMPLETE YOUR STATE "MA" NO. 1, EAST GAPROCK-DEVONIAN AREA, GAS COMING FROM WOLFCAMP AND OIL FROM DEVONIAN. PRODUCTION OF GAS FROM THIS WELL TO BE HELD IN ABeyANCE FOR FORMAL COMMISSION ORDER.

R R SPURRIER
N M OIL CONSERVATION COMMISSION

Well File —

Ks

GENERAL OFFICES
120 BROADWAY NEW YORK

AMERADA PETROLEUM CORPORATION

BEACON BUILDING
P. O. BOX 2040

TULSA 2, OKLA.

June 24, 1952

Aug hearing

AIR MAIL

Mr. R. R. Spurrier, Secretary
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Spurrier:

Attached hereto is an application for permission to dually complete our State "MA" No. 1, Lea County, New Mexico. Due to the urgency of the gas supply situation and in order not to cut off gas to drilling rigs in the general area of the above well, it will be appreciated if this hearing can be scheduled on July 15, 1952, the date of the July statewide hearing.

The only offset operator to the "MA" lease is the Texas Company. A copy of this application has been furnished them in order that they may be fully informed.

Thank you for your consideration in this matter.

Very truly yours,

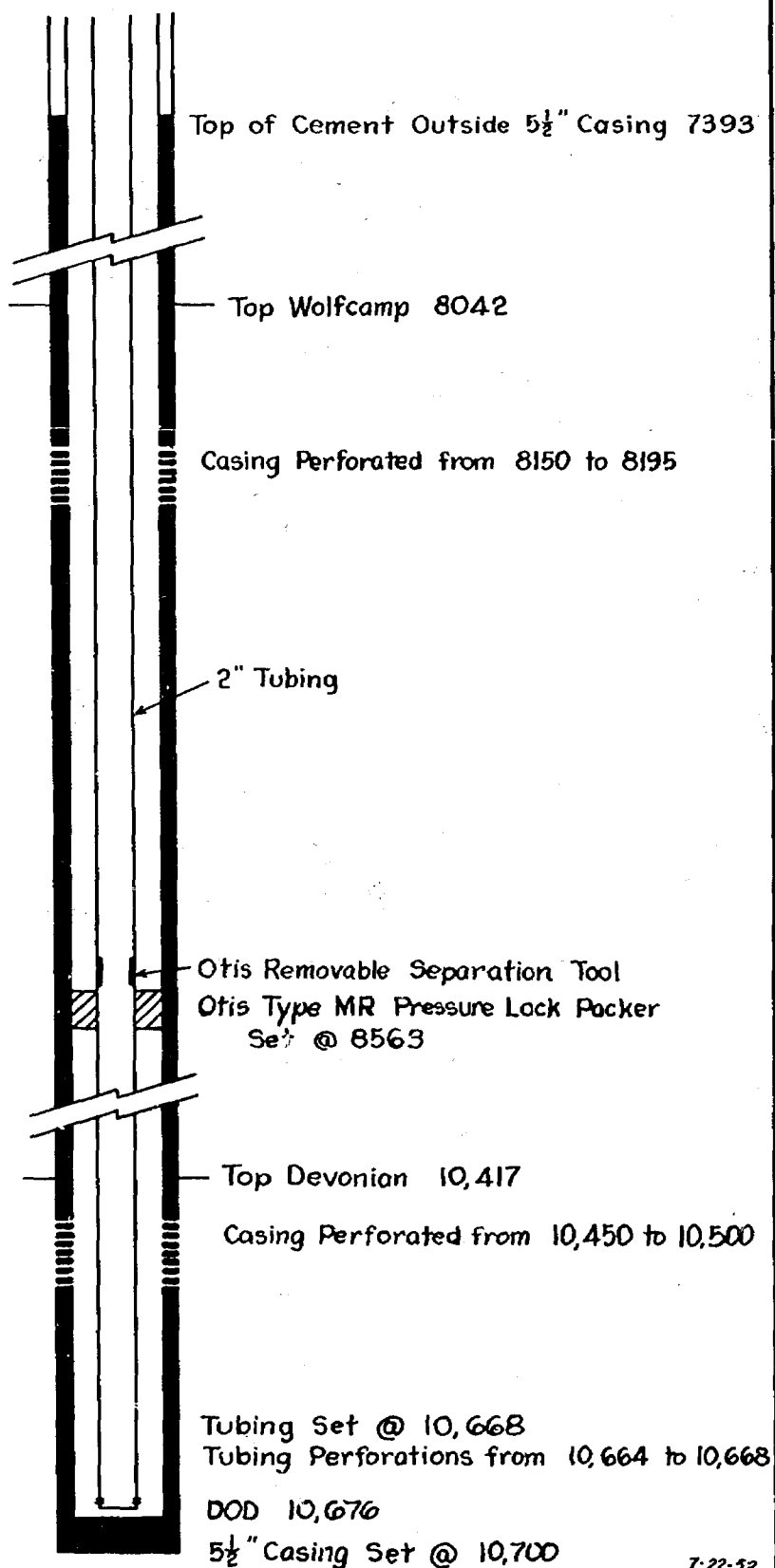
R. S. Christie
R. S. Christie

RSC/mw

Attachment

JUN 24 1952

DIAGRAMMATIC SKETCH OF DUAL COMPLETION
AMERADA - STATE M"A" NO. 1
MOORE DEVONIAN POOL
LEA COUNTY, NEW MEXICO



Ex. 4
OIL COMMISSION
JUL 26 1932

TD 10,700

7-22-52

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder of the following special public hearing to be held at 9:00 a.m. on July 24, 1952, at Mabry Hall, State Capitol, in the City of Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following case, and notice to the public.

CASE 387

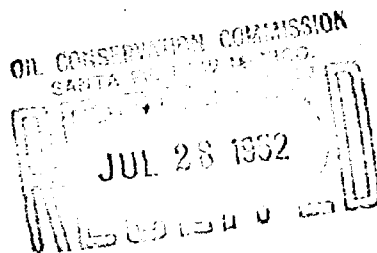
In the matter of the application of Amerada Petroleum Corporation for an order permitting dual completion of its State "MA" No. 1 well, Moore-Devonian pool, SW/4 SW/4 section 34, T. 11 S, R. 32 E, NMPM, Lea County, New Mexico, in such a manner as to produce oil from the Devonian formation and gas from the Wolfcamp formation.

GIVEN under the seal of the Oil Conservation Commission of New Mexico this 9th day of July, 1952.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier,
Secretary

S E A L



Thanks -

Glean Staley
by
M.O.

RECEIVED
JUL 24 1952
NEW MEXICO

June 24, 1952

AIR MAIL

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier,
Secretary.

In Re: Application of Amerada Petroleum
Corporation for permission to dually
complete its State "MA" Well No. 1,
located in SW/4 SW/4 Section 24,
Township 11 South, Range 33 East,
NMPM, Moore Devonian Pool, Lea County,
New Mexico. 32 E

Gentlemen:

Amerada Petroleum Corporation is currently drilling its State "MA"
Well No. 1, located in SW/4 SW/4 Section 24, Township 11 South Range 33 East,
Moore Devonian Pool, Lea County, New Mexico. 32 E

On a four-hour drill stem test from 8140 to 8172 (Wolfcamp formation)
the subject well produced at the rate of 10,236 Mcf daily, plus 51 barrels of
water white condensate.

Amerada is furnishing gas to approximately twelve drilling rigs in
the East Caprock and Moore Devonian area. This gas is being transported from
the Bagley and Hightower fields. The gas allowable from two gas wells in the
Hightower Pennsylvanian field has been reduced by an order of the Commission.
To supplement the gas supply from the Bagley and Hightower fields we propose
to dually complete the State "MA" No. 1 in such a manner that gas will be
produced through the annulus from the Wolfcamp and oil through the tubing from
the Devonian. The gas will be used as fuel to drilling rigs, a legal use.

Applicant represents that it is practical and economically feasible
to dually complete its State "MA" No. 1 to produce oil from the Devonian forma-
tion through the tubing and gas from the Wolfcamp formation through the annulus
with proper packer and well head connections.

New Mexico Oil
Conservation Commission

- 2 -

June 24, 1952

THEREFORE, applicant respectfully requests that the New Mexico Oil Conservation Commission set for hearing at its next regularly scheduled state-wide hearing, this application for permission to dually complete its State "MA" No. 1, now drilling in SW/4 SW/4 Section 24, Township 11 South, Range 33 East, 32
Moore Devonian Pool, Lea County, New Mexico.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By

J. O. Hathaway

J. O. Hathaway
Division Superintendent

RSC/mw

PERTINENT DATA
AMERADA PETROLEUM CORPORATION
STATE "MA" WELL NO. 1
MOORE DEVONIAN POOL

Location:

660' from the southline
660' from the west line
Section 24, Twp. 11S, Rge. 32E
Lea County, New Mexico

Spudded: March 30, 1952
Completed: July 14, 1952
Casing Program:

Elv. 4341 D. F.

133/8" set at 300' with 225 sacks
85/8" set at 3450' with 1500 sacks
5 1/2" set at 10,700' with 600 sacks

Formation Tops:

Wolfcamp 8042 (-3701)
Pennsylvanian (xx) 8258 (-3917)
Mississippi Chert 9974 (-5633)
Devonian 10417 (-6076)

Perforations:

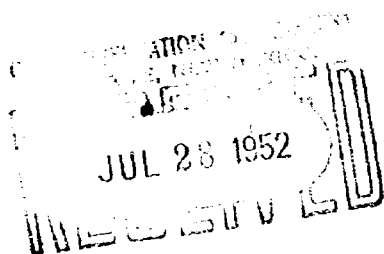
Wolfcamp 8150-8195
Devonian 10,450-10,500

Potential:

Wolfcamp: Flowed 40.55 Barrels of condensate in 14 hours through casing, 10 hours on 12/64" Choke with rate of 1,480 Mcg per day with gas condensate ratio 25,965, and 4 hours on 16/64" choke at rate of 2,460 Mcf per day with gas condensate ratio of 24,375. Corrected gravity 60.6° API.

Devonian: Flowed 677. barrels of oil in 20 hours on 3/4" choke, tubing pressure 60 lbs., gas volume 17,790 Cubic feet per day. Gas oil ratio 24.2. 24 hours potential 812 barrels per day.

46 API



Ex. 2

Register for Special Hearing July 24

Name	Representing	City
R.S. Christie	Amador	Tulsa
W. H. F. [unclear]	W.H. [unclear]	Dallas
W. R. Morris	W. R. Morris	Conroe, TX
Bob Murphy	Morgan	Roswell

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 387
ORDER NO. R-182

THE APPLICATION OF AMERADA
PETROLEUM CORPORATION FOR AN
ORDER GRANTING PERMISSION TO DUALY
COMPLETE AND PRODUCE ITS STATE "MA",
WELL NO. 1, SW/4 SW/4 SECTION 24,
TOWNSHIP 11 SOUTH, RANGE 32 EAST, NMPM,
LEA COUNTY, NEW MEXICO IN THE MOORE-
DEVONIAN POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on July 24, 1952, at 9:00 a.m.
at Santa Fe, New Mexico, before the Oil Conservation Commission of
New Mexico, hereinafter referred to as the "Commission".

NOW, on this 12th day of August 1952, the Commission, a quorum
being present, having considered the testimony adduced at the hearing and
being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law,
the Commission has jurisdiction of this cause and the subject matter there-
of.

(2) That applicant's State "MA" Well No. 1, SW SW, Section 24,
Township 11 South, Range 32 East, NMPM, Lea County, New Mexico, was
completed in July, 1952, as an oil well producing from the Devonian forma-
tion through perforations 10,450 - 10,500, having drilled through the Wolf-
camp gas zone (8150-8195).

(3) That although recent experiments tend to show that mechanical
packers and other devices are ordinarily available for successful dual/
multiple completions of oil - gas wells, the Commission is unconvinced
of the soundness, as a waste-prevention practice, of such dual/multiple
completions as a general practice in New Mexico without specific controls
over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Amerada Petroleum Corporation, be,
and it hereby is authorized to dually complete and produce its State "MA",
Well No. 1, SW/4 SW/4 Section 24, Township 11 South, Range 32 East,
NMPM, Lea County, New Mexico, in such a manner that gas from the
Wolfcamp formation may be produced through the annular space between
the casing and the tubing, and oil from the Devonian formation through the
tubing by proper perforations and the installation of a proper packer or
packers.

-2-
Case No. 387
Order No. R-182

PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within the well bore, either within or outside the casing, of gas, oil and gas, or oil produced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem
EDWIN L. MECHEM, Chairman

Guy Shepard
GUY SHEPARD, Member

R. R. Spurrier
R. R. SPURRIER, Secretary

SEAL

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 387
ORDER No. R-182

THE APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE AND
PRODUCE ITS STATE "MA", WELL NO. 1,
SW/4 SW/4 SECTION 24, TOWNSHIP 11 SOUTH,
RANGE 32 EAST, NMPM, LEA COUNTY,
NEW MEXICO IN THE MOORE-DEVONIAN POOL.

State "MA", well No. 1,

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on July 24, 1952, at 9:00 a. m. at
Santa Fe, New Mexico, before the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission".

NOW, on the 24th day of August, 1952, the Commission, a quorum being
present, having considered the testimony adduced at the hearing and being fully
advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the
Commission has jurisdiction of this cause and the subject matter thereof.

(2) That applicant's State "MA" well, No. 1, SW SW, Section 24, Township 11
South, Range 32 East, NMPM, Lea County, New Mexico, was completed in July, 1952,
as an oil well producing from the Devonian formation through perforations 10,450
- 10,500, having drilled through the Wolfcamp gas zone, (8150-8195).

(3) That although recent experiments tend to show that mechanical
packers and other devices are ordinarily available for successful dual/multiple
completions of oil - gas wells, the Commission is unconvinced of the soundness,
as a waste-prevention practice, of such dual/multiple completions as a general
practice in New Mexico without specific controls over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Amerada Petroleum Corp., be, and it hereby is
authorized to dualy complete and produce its State "MA", Well No. 1, SW/4 SW/4
Section 24, Township 11 South, Range 32 East, NMPM, Lea County, New Mexico,
in such a manner that gas from the Wolfcamp formation may be produced through the
annular space between the casing and the tubing, and oil from the Devonian
formation through the tubing by proper perforations and the installation of a
proper packer or packers.

PROVIDED, HOWEVER, That subject well shall be completed, and there-
after produced, in such a manner that there will be no commingling within the
well bore, either within or outside the casing, of gas, oil and gas, or oil pro-
duced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and
production shall be equipped in such a way that reservoir pressures may be
determined separately for each of the two specified strata, and further, be
equipped with all necessary connections required to permit recording meters
to be installed and used, at any time, as may be required by the Commission or
its representatives, in order that natural gas, oil, or oil and gas from each
separate stratum may be accurately measured and the gas-oil ratio thereof
determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and
all tests, including segregation tests, but not excluding other tests and/or
determinations at any convenient time and in such manner as deemed necessary
by the Commission; the original and all subsequent tests shall be witnessed
by representatives of the Commission and by representatives of offset operators,
if any there be, at their election, and the results of each test properly attested
to by the applicant herein and all witnesses, and shall be filed with the Commission
within ten (10) days after the completion of such test, and,

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby
retained by the Commission for such further order or orders as may seem ne-
cessary or convenient for the prevention of waste and/or protection of correlative
rights; upon failure of applicant to comply with any requirement of this order
after proper notice and hearing, the Commission may terminate the authority
hereby granted and require applicant or its successors and assigns to limit its
activities to regular single-zone production in the interests of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

Guy Shepard, Member

R. R. Spurrier, Secretary

S E A L