

CASE 5242: Application of PENROC  
OIL CORP. FOR A DUAL COMPLETION,  
EDDY COUNTY, NEW MEXICO.

CASE No.

5242

Application,  
Transcripts,  
Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

May 22, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Penroc Oil  
Corporation for a dual completion,  
Eddy County, New Mexico.

Case No. 5242

BEFORE: Richard L. Stamets, Examiner

For New Mexico Oil  
Conservation Commission:

William Carr, Esq.  
Legal Counsel for the  
Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:

W. Thomas Kellahin, Esq.  
KELLAHIN & FOX  
500 Don Gaspar  
Santa Fe, New Mexico

CASE 5242

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I N D E X

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STERLING J. TALLEY

Direct Examination by Mr. Tom Kellahin

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Cross Examination by Mr. Stamets

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E X H I B I T S

Applicant's Exhibits No. 1, 2 & 3

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TALLEY-DIRECT

CASE 5242

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MR. STAMETS: Case 5242.

MR. CARR: Case 5242. Application of Penroc Oil Corporation for a dual completion, Eddy County, New Mexico.

MR. TOM KELLAHIN: Tom Kellahin of Kellahin and Fox, appearing on behalf of Penroc Oil Corporation. I have one witness to be sworn.

MR. STAMETS: Are there any other appearances in this case?

The witness will stand and be sworn.

STERLING J. TALLEY

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. TOM KELLAHIN:

Q Would you please state your name, by whom you are employed and in what capacity?

A My name is Sterling Talley, President, Penroc Oil Corporation, Midland, Texas.

Q Mr. Talley, have you previously testified before this Commission?

A Yes, I have.

Q Are you familiar with and have you made a study

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of the facts surrounding this particular Application by Penroc?

A I have.

MR. TOM KELLAHIN: If the Examiner please, are the witness' qualifications acceptable?

MR. STAMETS: They are.

BY MR. KELLAHIN:

Q Mr. Talley, will you please refer to what has been marked as Applicant's Exhibit No. 1, identify it, and explain what the Applicant is seeking?

A Exhibit No. 1 is a map covering portions of Township 20 and 21 South, Ranges 26 and 27 East of Eddy County. The subject well is the Penroc No. 1 Allied-Com which is located in Section 27, Township 20 South, Range 27 East. This is near the approximate center of this map.

On the map, the lease ownership is indicated, and all wells, both shallow and deep have been spotted. According to the legend, it can be seen that the wells drilled to depths shallower than the Wolfcamp are not circled. The circled well with a dry hole symbol within was drilled to the Wolfcamp or deeper. Deep wells which are at some stage of current operation, either drilling or completing, are indicated by the small circle surrounded

TALLEY-DIRECT

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by a larger one. Those wells circled and colored have been completed as a producer in the formation indicated by the appropriate color. That is, blue is Wolfcamp. Orange is Canyon. Red is Strawn. Yellow is Morrow.

Now, the Penroc No. 1 Allied-Com in Section 27 is a dual in the Wolfcamp and the Morrow which is shown by the blue and yellow colors in the larger circle. The northwest diagonal offset, the Penroc Allied A Com No. 1 Well is currently completing from the Morrow. We move down south there a little bit and look in Section 34 and we see there is a Strawn completion, the Ralph Lowe No. 1 Hanson Federal shown by the solid red color, and immediately south of it in Section 2, the Fasken No. 1 El Paso Federal-2 was completed in the Canyon lime. It is shown by the solid orange color. Then, to the northwest in Section 3, the Fasken No. 1 El Paso-3 is dually completed in the Strawn and the Morrow. This is indicated by the red and the yellow colors. There have been no pool designations made in any of these completed well areas. The scale of the map is 3 inches equals 1 mile.

What we are seeking here is to dually complete -- approval for dual completion of the Penroc No. 1 Allied-Com located in Section 27.

TALLEY-DIRECT

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Q Please refer to what has been marked as Applicant's Exhibit No. 2, and identify it.

A Exhibit No. 2 is a diagrammatic sketch of the dual completion technique from a mechanical equipment standpoint concerning the Penroc No. 1 Allied-Com. Now, to briefly explain this set-up, we start at the bottom and show that the 4½-inch casing was cemented at 11,100 feet. Then you can see that at 10,900, a Perma-free packer is set. Immediately above are located a series of Morrow perforations from 10,622 to 10,871 feet. Above these perforations at 10,580 feet, a second packer has been placed. A 2 and 3/8-inch tubing is anchored here.

We have Wolfcamp perforations that exist from depths of 8540 to 8623 feet. The third and top packer is located at 8464 feet as is the cross-over equipment located at this point.

So, it can readily be seen that gas in the Morrow enters into the 4½-inch casing and this is indicated by the yellow color. It travels into the tubing, thence out the cross-over to be produced through the tubing casing annulus. Wolfcamp gas enters the annulus as shown by the blue color and goes into the cross-over and is produced through the tubing.

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TALLEY-DIRECT

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Shut-in tubing pressure from the Morrow is 3250 pounds. Shut-in tubing pressure from the Wolfcamp is 2250 pounds, a differential of 1000 pounds. This shows that we have good packer separation of the two zones.

By drill stem test, the bottom-hole pressure in the Wolfcamp is approximately 4000 pounds and in the Morrow, approximately 4500 pounds. There we have a difference of 500 pounds.

Production tests of the Wolfcamp for a 24-hour period indicated a flow of 2.5 million cubic feet of gas plus 461 barrels of condensate through a 26 to 1/4-inch choke with a flowing tubing pressure of 1500 pounds. For the Morrow, a gas flow of 4.1 million cubic feet of gas per day, plus 2 barrels of condensate per hour. This is on a half-inch choke with flowing tubing pressure of 1325 pounds.

The Morrow gas carries very little liquid here, and in the Wolfcamp, with time, we will see that a differential exists whereby the fluids will drop some and the gas will increase. As a result, we anticipate no problem by this completion method.

Q Please refer to what has been marked as Applicant's Exhibit No. 3 and identify it?

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TALLEY-DIRECT

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A Exhibit No. 3 is merely a condensate density log run in this Allied-Com No. 1 Well, and on the detailed portion, the lower part of the log, we have marked on there the tops of the formations in blue, the one at 8539 being the Wolfcamp. We have the perforations in red and the intervals are designated. Drill stem test interval is by orange color. The yellow to the right are the porosity zones that were perforated. Also on the right-hand side we have the type of treatment and amounts. Also, affixed is a sticker showing the results of the drill stem test conducted over that interval. That same color scheme applies on down the log in the Morrow portion of the log.

Q What is the present status of the well, Mr. Talley?

A The well is apparently shut in, waiting on pipeline connections.

Q In your opinion, will this manner of dual completion be consistent with sound engineering practices and insure separation between the two producing horizons?

A Very much so.

Q In your opinion, will approval of this Application be in the best interest of conservation and prevention of waste and the protection of correlative rights of others?

A Yes.

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TALLEY-DIRECT

Q Were Exhibits 1, 2 and 3 either prepared by you or prepared under your direction and supervision?

A They were.

MR. TOM KELLAHIN: I move the introduction of Applicant's Exhibits 1, 2 and 3.

MR. STAMETS: They will be admitted into the record.

(Whereupon, Applicant's Exhibits Nos. 1, 2 and 3 were marked for identification, offered and admitted into evidence.)

MR. TOM KELLAHIN: That concludes our examination.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Talley, is what you see here a standard dual completion order with the appropriate packer leakage test requirements and so on?

A Yes, sir.

Q You don't feel that the small amount of Morrow liquid will give you any problem?

A No.

Q If this did increase, what would the result be? Would there not be enough gas pressure to lift the liquid?

A In the Morrow?

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TALLEY-CROSS

Q Yes, sir.

A There is very little liquid in the Morrow in this well.

Q But if this did happen, would you be able to remedy the situation?

A Yes, we could, with stronger tubing.

MR. STAMETS: Are there any other questions of the witness? If not, he may be excused.

(Witness dismissed.)

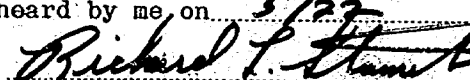
MR. STAMETS: Is there anything further in this case?

We will take the case under advisement.

STATE OF NEW MEXICO )  
COUNTY OF SANTA FE ) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

  
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5242 heard by me on 5/22 1924.  
 Examiner:  
New Mexico Oil Conservation Commission

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# OIL CONSERVATION COMMISSION

**STATE OF NEW MEXICO**  
**P. O. BOX 2088 - SANTA FE**  
**87501**

**I. R. TRUJILLO**  
**CHAIRMAN**

**LAND COMMISSIONER**  
**ALEX J. ARMIJO**  
**MEMBER**

**STATE GEOLOGIST**  
**A. L. PORTER, JR.**  
**SECRETARY - DIRECTOR**

**June 4, 1974**

Mr. Tom Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: CASE NO. 5242  
ORDER NO. R-4801  
Applicant:  
**Penroc Oil Corporation**

**Dear Sir:**

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>X</u>
Artesia OCC	<u>X</u>
Aztec OCC	

**Other**

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. 5242  
Order No. R-4801

APPLICATION OF PENROC OIL  
CORPORATION FOR A DUAL  
COMPLETION, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 1974,  
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 4th day of June, 1974, the Commission,  
a quorum being present, having considered the testimony, the  
record, and the recommendations of the Examiner, 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 the applicant, Penroc Oil Corporation, seeks  
authority to complete its Allied Com Well No. 1, located in  
Unit B of Section 27, Township 20 South, Range 27 East, NMPM,  
Eddy County, New Mexico, in such a manner as to produce gas  
from an undesignated Wolfcamp Gas Pool and gas from an undesignated Morrow gas pool through tubing and the casing-tubing annulus, respectively, by means of a crossover assembly.

(3) That the mechanics of the proposed dual completion  
are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent  
waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Penroc Oil Corporation, is hereby  
authorized to complete its Allied Com Well No. 1, located in  
Unit B of Section 27, Township 20 South, Range 27 East, Eddy  
County, New Mexico, as a dual completion (conventional) to  
produce gas from an undesignated Wolfcamp gas pool and from an  
undesignated Morrow gas pool.

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Case No. 5242  
Order No. R-4801

(2) That production from the Morrow formation shall be through 2 3/8-inch tubing set in a packer located at approximately 10,580 feet, above the Morrow perforations, and thence, by means of a crossover assembly, through the casing-tubing annulus to the surface. Production from the Wolfcamp formation shall be through the casing-tubing annulus and thence, by means of a crossover assembly, through the 2 3/8-inch tubing to the surface. The crossover assembly shall be set in a packer located above the Wolfcamp perforations at approximately 8464 feet.

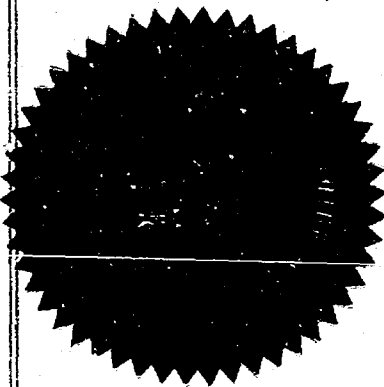
PROVIDED HOWEVER, that the applicant shall complete, operate and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with the provisions of this order.

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for gas wells in Southeastern New Mexico.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



*I. R. Trujillo*  
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/



5242 OK Standard dual  
unders Strawn unders Morrow

Conventional w/ cross over  
assembly

Docket No. 14-74

Dockets Nos. 15-74 and 16-74 are tentatively set for hearing on June 5 and June 19. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5206: (Continued from the April 25, 1974, Examiner Hearing)

Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinbry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

CASE 5240: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle and Scanlon and Husky Energy, Inc. and The Employers' Fire Insurance Company and all other interested parties to appear and show cause why the following wells located in Section 28, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C; Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jaco State Well No. 104 in Unit G.

CASE 5241: Application of Depco, Inc. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-1670-H, approval for the unorthodox location of a well to be drilled 1325 feet from the North and East lines of Section 3, Township 15 South, Range 27 East, Buffalo-Pennsylvanian Gas Pool, Chaves County, New Mexico.

CASE 5242: Application of Penroc Oil Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Allied-Com Well No. 1 located in Unit B of Section 27, Township 20 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Wolfcamp gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

CASE 5243: Application of Continental Oil Company for special gas-oil ratio, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil for the Weir-Drinkard Oil Pool, Lea County, New Mexico.

- CASE 5248: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Tracy "A" Com Well No. 1 located in Unit C of Section 33, Township 21 South, Range 27 East, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.
- CASE 5244: Application of El Paso Natural Gas Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the tubingless dual completion of its Hubbell Well No. 14 located in Unit G of Section 18, Township 29 North, Range 10 West, San Juan County, New Mexico, in such a manner as to produce Aztec-Fruitland and undesignated Chacra gas through parallel strings of 2 7/8-inch casing cemented in a common wellbore.
- CASE 5245: Application of Texaco Inc. for a tubingless quadruple completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the quadruple completion of its C. H. Weir "A" Well No. 8 located in Unit F of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce Skaggs-Glorieta, East Weir-Blinebry, East Weir-Tubb, and Skaggs-Drinkard production through three parallel strings of 2 7/8-inch casing cemented in a common wellbore with the East Weir-Blinebry and the Skaggs-Drinkard production commingled and produced through a single string of casing.
- CASE 5246: Application of Tenneco Oil Company for pressure maintenance expansion and dual completions, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its South Hospah Lower Sand Pressure Maintenance Project, South Hospah Field, McKinley County, New Mexico, by the dual completion of its Hospah Well No. 41 located five feet from the North line and 1650 feet from the East line and its Hospah Well No. 56, located 1100 feet from the North line and 1275 feet from the East line, both in Section 12, Township 17 North, Range 9 West, to permit injection of water into the Lower Sand as well as the Upper Sand as presently authorized.
- CASE 5247: Application of Champlin Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Pecos Federal Well No. 1 located in Unit C of Section 1, Township 22 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

# PENROC OIL CORP. Allied - Comm. No.1

## Proposed Dual Wolfcamp & Morrow Completion

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

Penroc EXHIBIT NO. 2

CASE NO. 5242

Submitted by T. J. Hays

Hearing Date 22 May 74

CONCENTRIC CROSSOVER

MCH PACKER @ 8464

EUE BLAST JOINTS

XO SLEEVE

WC OVERSHOT SEAL UNIT

WC PACKER W/2" N PROFILE  
@ 10,580'

PERMATRIEVE PACKER  
@ 10,900'

2 3/8" TUBING

WOLFCAMP PERFS.  
8540 - 8623

SF  
2200 PSI

MORROW PERFS.

10,622 - 10,625'

10,742 - 10,792'

10,862 - 10,871'

SF  
3250 PSI

4.1 MM  
2 B and  
hour

4 1/2" CASING @ 11,100'

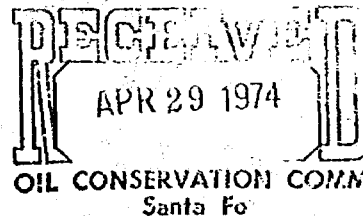
1325  
for

JASON W. KELLAHIN  
ROBERT E. FOX  
W. THOMAS KELLAHIN

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
500 DON GASPAR AVENUE  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315  
AREA CODE 505

April 26, 1974



Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

ATTENTION: Ida Rodriguez

Dear Ida:

Enclosed please find an application filed in  
behalf of Penroc Oil Corporation for approval of  
a dual completion of its Penroc No. 1 Allied-Com  
Well, Eddy County, New Mexico.

Yours very truly,

KELLAHIN & FOX

By

*Kate Sebright*  
Secretary

:ks

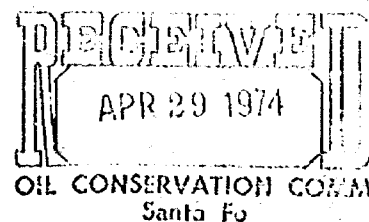
Enclosure

DOCKET MAILED

Date

*5-9-74*

BEFORE THE  
OIL CONSERVATION COMMISSION OF NEW MEXICO



*Case 5242*

IN THE MATTER OF THE APPLICATION  
OF PENROC OIL CORPORATION FOR  
APPROVAL OF A DUAL COMPLETION,  
EDDY COUNTY, NEW MEXICO

A P P L I C A T I O N

COMES NOW Penroc Oil Corporation and applies to the Oil Conservation Commission of New Mexico for approval of the dual completion of its Penroc No. 1 Allied-Com well, location 660 feet from the North line, and 1980 feet from the East line of Section 27, Township 20 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Commission:

1. The above described well is located in an undesignated field as to Morrow and Wolfcamp production, and is more than one mile from wells dually completed in the same horizons.

2. Applicant proposes to complete the well as a conventional dually completed well to produce Wolfcamp gas through the tubing, and Morrow gas through the annulus, utilizing a cross-over assembly. Both Morrow and Wolfcamp horizons appear to be gas-distillate reservoirs.

3. The well is completed with 4 1/2 inch casing, and two inch tubing will be utilized in both strings of the dual completion.

WHEREFORE applicant prays that this application be set for hearing at the next available Examiner hearing of the

Commission, and that after notice and hearing as required  
by law, the Commission authorize the dual completion as  
applied for.

Respectfully submitted,  
PENROC OIL CORPORATION,

BY Jason W. Kellahin  
Kellahin & Fox  
P. O. Box 1769  
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

jt/

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. 5242

Order No. R- ~~4800~~

R-4801

APPLICATION OF PENROC OIL  
CORPORATION FOR A DUAL  
COMPLETION, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 1974  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this        day of May, 19 74 the Commission,  
a quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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 the applicant, Penroc Oil Corporation, seeks  
authority to complete its Allied Com Well No. 1, located in Unit B  
of Section 27, Township 20 South, Range 27 East, NMPM, Eddy County  
New Mexico, in such a manner as to produce gas from an undesignated  
Wolfcamp Gas Pool and gas from an undesignated Morrow gas pool  
through tubing and the casing-tubing annulus, respectively, by  
means of a crossover assembly.



-2-  
CASE NO. 5242  
Order No. R-

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Penroc Oil Corporation, is hereby authorized to complete its Allied Com Well No. 1, located in Unit B of Section 27, Township 20 South, Range 27 East, Eddy County, New Mexico, as a dual completion <sup>(conventional)</sup> to produce gas from an undesignated ~~undesignated~~ Wolfcamp gas pool and from an undesignated Morrow gas pool.

(2) That production from the Morrow formation shall be through 2 3/8-inch tubing set in a packer located at approximately 10,580 feet, above the Morrow perforations, and thence, by means of a crossover assembly, through the casing-tubing annulus to the surface. Production from the Wolfcamp formation shall be through the casing-tubing annulus and thence, by means of a crossover assembly, through the 2 3/8-inch tubing to the surface. The crossover assembly shall be set in a packer located above the Wolfcamp perforations at approximately 8464 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with the provisions of this order.

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for gas wells in Southeastern New Mexico.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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