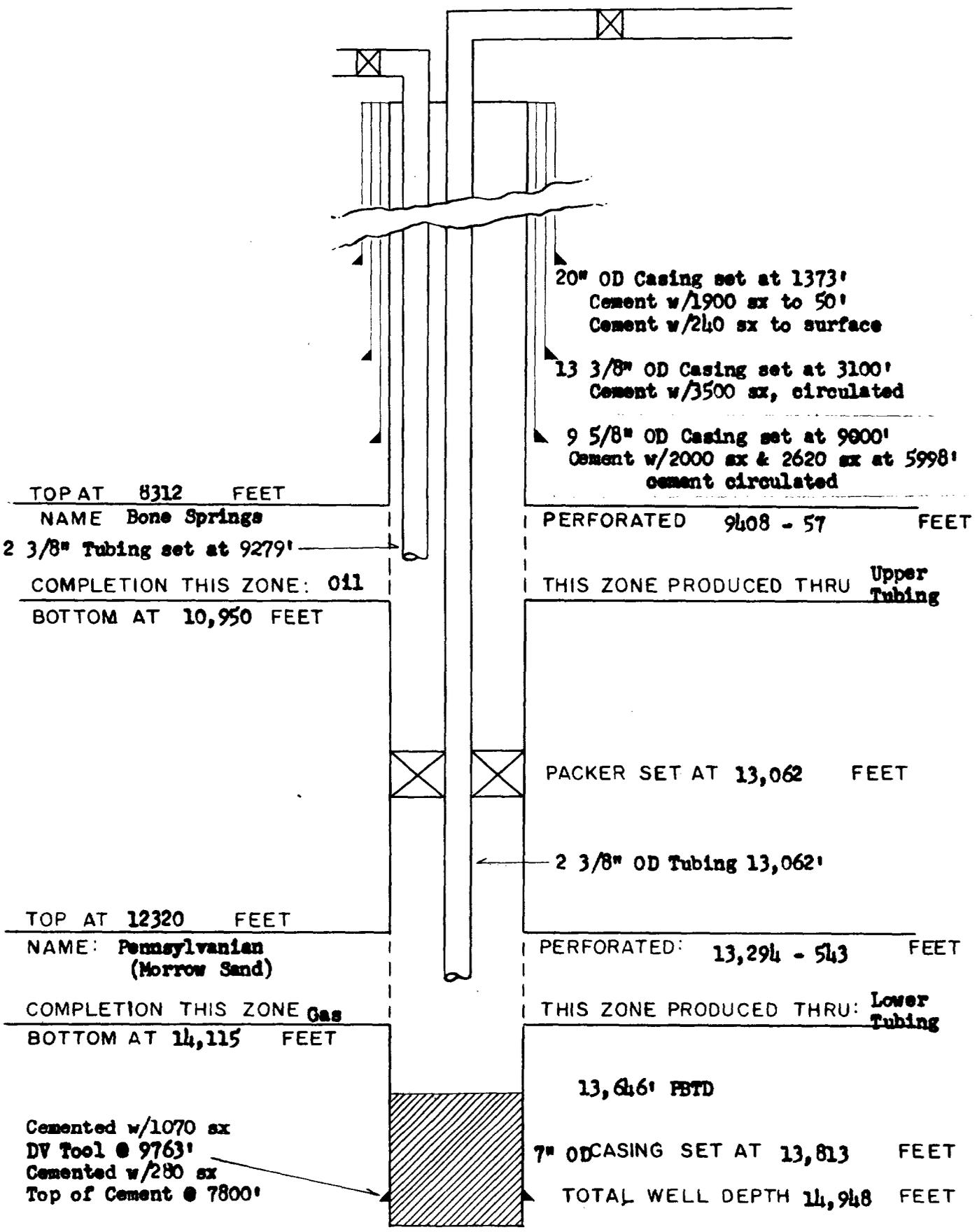


BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
 _____ EXHIBIT NO. 2
 CASE NO. 2732

DIAGRAMMATIC SKETCH SHOWING
 DUAL COMPLETION INSTALLATION



TOP AT 8312 FEET
 NAME Bone Springs
 2 3/8" Tubing set at 9279'
 COMPLETION THIS ZONE: Oil
 BOTTOM AT 10,950 FEET

20" OD Casing set at 1373'
 Cement w/1900 sx to 50'
 Cement w/240 sx to surface

13 3/8" OD Casing set at 3100'
 Cement w/3500 sx, circulated

9 5/8" OD Casing set at 9600'
 Cement w/2000 sx & 2620 sx at 5998'
 cement circulated

PERFORATED 9408 - 57 FEET

THIS ZONE PRODUCED THRU Upper Tubing

TOP AT 12320 FEET
 NAME: Pennsylvanian (Morrow Sand)
 COMPLETION THIS ZONE Gas
 BOTTOM AT 14,115 FEET

PACKER SET AT 13,062 FEET

2 3/8" OD Tubing 13,062'

PERFORATED: 13,294 - 543 FEET

THIS ZONE PRODUCED THRU: Lower Tubing

Cemented w/1070 sx
 DV Tool @ 9763'
 Cemented w/280 sx
 Top of Cement @ 7800'

13,646' FSTD

7" OD CASING SET AT 13,813 FEET

TOTAL WELL DEPTH 14,948 FEET

COMPANY Sinclair Oil & Gas Company
 LEASE Mahaffey-Federal WELL No. 1
 FIELD Wildcat Pool
 DATE January 2, 1963

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. 2732
Order No. R-2414

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR A DUAL COMPLETION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 23, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of January, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Sinclair Oil & Gas Company, seeks authority to complete its Mahaffey-Federal (ARC) Well No. 1, located in Unit C of Section 14, Township 20 south, Range 33 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from an undesignated Bone Spring pool and to produce gas from an undesignated Pennsylvanian pool through parallel strings of 2 3/8-inch tubing, separation of the zones to be achieved by a packer set at approximately 13,062 feet.
- (3) That the subject well is in the Potash Area and that the proposed dual completion fully complies with the provisions of Order No. R-111-A.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will neither cause waste nor impair correlative rights.

-2-

CASE No. 2732
Order No. R-2414

IT IS THEREFORE ORDERED:

(1) That the applicant, Sinclair Oil & Gas Company, is hereby authorized to complete its Mahaffey-Federal (ARC) Well No. 1, located in Unit C of Section 14, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from an undesignated Bone Spring pool and to produce gas from an undesignated Pennsylvanian pool through parallel strings of 2 3/8-inch tubing, separation of the zones to be achieved by a permanent type packer set at approximately 13,052 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 this order.

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Shut-In Pressure Test Period for the Pennsylvanian formation.

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

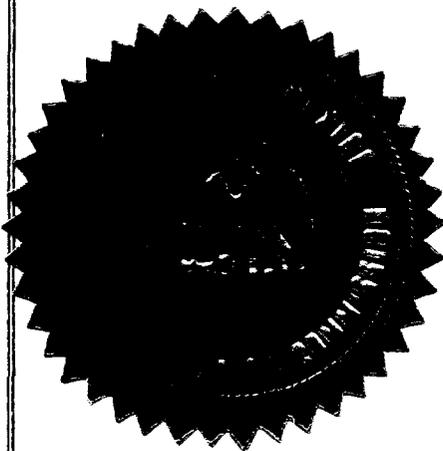
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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



esr/