

10-11-78
C.N.L. FDC
4200-7210

D.L.L.
1000-7209

Bentley
4050-7192

IT IS THEREFORE ORDERED:

Case 4373 11-8-78 R.S.S.
Order R-5875 11-30-78

(1) That the applicant, Beard Oil Company, is hereby authorized to complete its Hanlad Well No. 1, located in Unit E of Section 17, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Atoka formation through 2-inch tubing and gas from the Abo formation through the casing-tubing annulus, with separation of the zones achieved by means of a packer set at approximately 7026 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division 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 Annual Shut-In Pressure Test Period for gas wells in Southeast New Mexico.

(2) That the applicant is further authorized to commingle Atoka and Abo gas production at the surface after separately metering the Abo production.

(3) That the applicant shall determine Atoka production by subtracting the metered Abo production from the commingled stream measured by the transporter.

(4) That prior to installation of the meter on the Abo zone, the operator shall obtain approval for the use of such meter or meter system from the supervisor of the Division's district office at Artesia.

R-5875-B (4-1-82)

Log on for prob.

WC 4725 ✓

Kenn 5918

Strawn - 6780

Atoka - 7045

NO MORE ON

CHESTER - 7120

MISS - 7150

20-015-22524

Handland #1

1/-1/S-24E
Ut. E SW NW