

- (a) Any water flows encountered; and
- (b) The top of the cement around the production casing as determined by temperature survey if such cement does not circulate.

(5) That the applicant may be required to re-cement the production casing if the cement on said string fails to circulate to the surface.

(6) That approval of the subject application will protect correlative rights, will prevent waste and will not cause the waste of potash.

(7) The application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Meadco Properties, Ltd., is hereby authorized an exception to the casing/cementing rules for the Oil-Potash Area as promulgated by Order No. R-111-A to permit a proposed well which will be located in Unit L of Section 4, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, to be completed by setting surface casing at 550 feet and production casing at total depth of approximately 4500 feet and cementing both casing strings to the surface.

PROVIDED HOWEVER, the applicant shall report the following, both to the district office of the Division and the U.S.G.S:

- (a) Any water flows encountered; and
- (b) The top of the cement around the production casing as determined by temperature survey if such cement does not circulate.

PROVIDED FURTHER, that the applicant may be required to re-cement the production casing to the surface if cement on said casing did not circulate to the surface.

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