J. GREGORY MERRION
PETROLEUM ENGINEER

July 8, 1969

L-16-24N-6W

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Re: J. Gregory Merrion, NCRA State #3 Well, Devils Fork Gallup and Undesignated Mesaverde Application for Allowable Pursuant to Order #R-3741

Pursuant to the captioned order, please be advised that:

1. During the period 7 a.m., June 1, 1969, through 7 a.m., June 4, 1969, the Mesaverde side of the NCRA State No. 3 well was tested while flowing through the casing. Production during the 72-hour test was 36 bbls oil and 21.15 MCF gas, or an average daily rate of 12 BOPD and average GOR of 587 CF/bbl. Gravity of the oil was 47.5° API corrected.

2. On June 12, 1969, B & R Service Co. swabbed the Gallup side of the NCRA #3 well through 2" EUE tubing for 8 hours. Initial fluid level was 4500'. Final fluid level, 5600'. Recovery during test was 15.5 bbls oil and 4 bbls water. Final swab rate during last three hours was 15 BOPD and 3.75 BWPD (swab rate #1).

3. On July 3, 1969, Drake Well Service moved in and rigged up on well, unseated Baker Model R packer and left it hanging unset in well. Mesaverde and Gallup were then swabbed comingled for 8 hours. Initial fluid level was 3100 feet. Final Fluid level was 5600 feet. Recovery during swab test was 35 bbls oil and 38 bbls water. Final swab rate was 30 bbls oil per day and 6 bbls water per day (swab rate #2).

4. Based upon above swab tests $(MV_f) = \frac{30 - 15}{30} = 0.5$

5. On July 4, 1969, rods were run and well was put on pump for comingled production.

6. From 9 a.m., July 7 to 9 a.m., July 8, 1969, the comingled production was tested at 33 BOPD and 96 MCF gas per day, for a GOR of 2910 CF/bbl.

G. Gregory Merrion
Petroleum Engineer

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3. [illegible]

4. [illegible]

5. [illegible]