OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

December 18, 1962

The British-American Oil Producing Co. P. O. Drawer 330 Farmington, New Mexico

Attention: Mr. Nae R. Stone

Administrative Order TX-16

Gentlemen:

Reference is made to your letter of December 14, 1962, wherein you request authority to complete your Federal Scott Well No. 11, located in the SW/4 SW/4 of Section 25, Township 27 North, Range 11 West, NMPM, San Juan County, New Mexico, with 42-inch OD casing and produce the Dakota hydrocarbons through said casing string as a tabingless completion.

Inamuch as you expect that the Dakota will produce with a gas-liquid ratio in the neighborhood of 100,000 to one, there should be no production problem or waste encountered by your proposed completion.

British-American is, therefore, hereby authorized to complete and produce the subject well in accordance with the procedure outlined in your letter of December 14, 1962.

The Commission does reserve the right, however, to review this matter at any time that it appears waste may be resulting

