



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

July 21, 1978

Southland Royalty Company
P. O. Drawer 570
Farmington, New Mexico 87401

Re: Southland Royalty Company
Decker #2A
I-26-32N-12W

Gentlemen:

The attached packer-leakage test report for the subject well indicates communication between the producible zones.

You are hereby directed to take immediate action to cause the well to comply with Rule 112-A, Section VI of the Rules and Regulations of the Oil Conservation Division. As this is a new well which is not yet producing into a pipeline, no Form C-104, Request for Allowable and Authorization to Transport Oil and Natural Gas, will be approved for this well until an approved packer-leakage test has been filed with this office.

If there are any questions please contact us.

Yours truly,

Frank T. Chavez
Deputy Inspector

Enclosure

FTC:no