

## DISCUSSION

Pan American Petroleum Corporation respectfully requests that the New Mexico Oil Conservation Commission grant permission to triple complete its South Mattix Unit No. 14 in the Undesignated Tubb (gas), Fowler-Blinebry (oil), and Fowler-Paddock (gas) Pools of Lea County, New Mexico.

The South Mattix Unit No. 14 is 1980 feet from the south and west lines of Section 15, T-24-S, R-37-E, which is located approximately fourteen miles south of Eunice, New Mexico.

This well is to be completed from Undesignated Tubb (gas) which is the first Tubb production in the area. It will also be completed within the defined limits of the Fowler-Blinebry (oil) Field which is currently productive in only the Gulf-Plains Knight No. 2 located 1-1/2 miles south-east of the South Mattix Unit No. 14. The third zone is the Fowler-Paddock (gas) now productive from two wells in the South Mattix Unit. Subject location is offset in all directions by Fowler Ellenburger wells and will be the first multipay completion in the South Mattix Unit.

Attachment II is a diagrammatic sketch showing the mechanical aspects of the proposed triple completion. This is a "conventional" triple completion utilizing three tubing strings to produce each zone separately and packers to maintain separation in the well bore. This installation will permit safe and efficient production of oil from these three reservoirs.

Attachment III is a Gamma-Ray Neutron Log of the South Mattix Unit No. 14 with top and bottom of the producing zones and the perforated intervals marked in red.

For convenience, Attachment IV is a copy of Pan American's application for multiple completion of the South Mattix Unit No. 14. A copy of the application was furnished each offset operator.

