Case No. 302 Order No. R-121

PROVIDED, HOWEVER, that said No. 1 Jack well shall be dually completed and produced in such a manner that there will be no commingling within the well-bore of the said well of gas, or oil and gas produced from the two separate strata, and

PROVIDED FURTHER, that said well shall be equipped in such a manner that reservoir pressures may be determined separately for each of the two separate strata, and further be equipped with all necessary connections required to permit recording meters to be installed and used at any time as may be required by the Commission or its representatives, in order that natural gas, or oil and oil and gas, from each separate stratum may be accurately measured and the gas=oil ratio determined, and

PROVIDED FURTHER, that the operator shall make any and all tests including segregation tests and tests for leakage outside the casing but not excluding other tests and/or determinations at any time and in such manner as may be deemed necessary by the Commission and remedy any situation reflected.

The original and all subsequent tests shall be witnessed by a representative of the Commission and by representatives of offset operators, if any there be, and the results of each test properly attested to by the applicant and all witnesses and shall be filed with the Commission within ten (10) days after the actual completion of each such test, and,

PROVIDED FURTHER, that prior to the time said well is dually completed, the applicant shall supply the Commission, for its approval, with plat or drawing showing the proposed method and manner of completion.

PROVIDED FURTHER, that upon the dual completion of the well the applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to produce the seal from both zones or strata, showing tube and location of packers, other devices used, location and extent of perforations, name and depth of each producing zone or strata and special report of production, gas-oil ratio and reservoir pressure determination of each horizon or stratum at the time of completion.

IT IS FURTHER ORDERED, that jurisdiction of this case is hereby retained by the Commission for such further order or orders in the premises as may from time to time seem necessary or convenient to the Commission, and this case shall not be considered as establishing a precedent for authorizing general dual completions, and upon failure of the applicant to comply with any provision or provisions of this order, by the authority hereunder shall terminate, upon ten (10) days written notice by the Commission.

DONE at Santa Fe, New Mexico, on the day and year hereinabove written. Signed by: Edwin L. Mechem, Chairman; Guy Shepard, Member; R.R. Spurrier, Sec'y.