

S. J. SARKEYS #2

1. Operator: ARCO Oil and Gas Company  
P. O. Box 1610  
Midland, Texas 79702
2. Lease, Well, and Location:  
  
S. J. Sarkeys #2  
330' FSL & 2310' FEL  
Section 23-21S-37E  
Lea County, New Mexico
3. Producing Zones:  
  
Blinbry by natural flow  
Tubb-Drinkard by natural flow  
Bottom-most perforation at 6580'
4. Commission Order No. Authorizing Dual Completion:  
  
DC-141
5. Decline Curves: attached
6. Fluid Incompatibility:  
  
Production from these zones is being  
commingled in the surface facilities.  
No evidence of fluid incompatibility  
has been found. (PC-219)
7. Value of Commingled Fluids:  
  
As production from both zones is currently  
priced as sour crude, downhole commingling  
will not affect the value of the oil.
8. Current Production: See attached C-116. .
9. All Offset Operators are being notified by copy of  
this application.