



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 26, 1997

Mirage Energy, Inc.
C/O James D. Cogburn
7915 N. Llewelyn
Hobbs, New Mexico 88242

Re: Downhole Commingling Application
Sims "35" State Well No. 2

Dear Mr. Cogburn:

In reviewing your downhole commingling application for the Sims "35" State Well No. 2, I found that Item No. (10) of Form C-107-A, regarding offset operator notification, has been answered no. Please be advised that Rule No. 303.C. requires that offset operators be provided notice of proposed downhole commingling. Please submit proof that all offset operators have been provided notice of your application.

Your C-107-A will be processed at such time as the Division receives the above-described information.

Sincerely,

A handwritten signature in cursive script that reads "David Catanach".

David Catanach
Engineer