

gallons of 15% NEFE HCL acid. By NMOCD Order No. R-520, the subject well was placed in the Eumont-Yates-Seven Rivers-Queen pool effective September 1, 1955. The well was deepened from 3850'-3890', open hole interval perforated and treated with 3000 gallons of 15% NEFE HCL acid, and completed as an oil producer from open hole interval 3696'-3890'.

Current production is 5 BOPD and 62 MCFGPD declining at 20% per year. Both zones are to be produced together - well is currently being pumped.

- (f) The bottom hole pressure of the Queen zone was measured at 634 psi at 3670' in July, 1985. The bottom hole pressure of the Grayburg/San Andres has not been measured; it is anticipated that the fluid level in the well will be within 100' of the Grayburg/San Andres interval when the well is pumping.
- (g) A description of fluid characteristics is unavailable for each zone.
- (h) The value of the commingled streams based on productivity test:
(1.25 BOPD) x \$16.30/BBL = \$ 20/day
+ (105 MCFG) x \$ 0.94/MCF = \$ 99/day
Total Commingled Production = \$199/day
- (i) Formula for allocation of production:
Eunice Monument-Grayburg/San Andres: 100% of oil, gas and water production.

MONTHLY OIL (GB/SA) = (TOTAL BOPM) x 1.0
MONTHLY GAS (GB/SA) = (MONTHLY OIL) (GB/SA) x 1.0
MONTHLY WATER (GB/SA) = (TOTAL BWPM) x 1.0

Eumont Yates-Seven Rivers-Queen: 0% of oil, gas and water production.
- (j) All offset operators indicated on the attached list were notified by copy of this application sent June 20, 1989.

The ownership (including working interest, royalty, and overriding royalty) of the Eunice Monument-Grayburg/San Andres pool and the Eumont Yates-Seven Rivers-Queen pool is common to both zones. Commingling will not jeopardize the efficiency of present or future secondary recovery operations in either zone.

Your early consideration and approval will be appreciated. Direct any questions to the attention of Susan Courtright, telephone (915) 367-1418 or to me.

Very truly yours,



Larry M. Sanders, Supervisor
Regulation and Proration

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