



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

June 10, 1987

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Phillips Petroleum Company
4001 Penbrook Street
Odessa, TX 79762

Attn: Larry Sanders

Re: New #2-H Section 26, T20S, R36E
Recompletion

Gentlemen:

An allowable for the Grayburg/San Andres completion in the above-referenced well is being assigned effective June 1, 1987.

As discussed, we will allow you to produce the Eumont-Queen and Eunice-Monument-GB/SA downhole commingled for 60 days while your application to downhole commingle is being heard. I understand this case has been docketed for the first hearing in July.

Should your application to downhole commingle be denied, you will be required to isolate the Queen and apply for a multiple completion or abandon the Queen and produce the well as a single Grayburg/San Andres.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

ed

R-8839 Ruled this well only produced from Eumont Pool.