

APOLLO

Apollo Energy, Inc. / P. O. Box 5315 / Hobbs, New Mexico 88241 / Phone (505) 397-3596

October 8, 1985

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. David Catanach

Re: Well Tests - Cato Field
Chaves County, New Mexico

Dear Mr. Catanach,

This letter is in reference to our conversation Friday, October 4, 1985, regarding the well test procedures in the Cato San Andres Field. By virtue of this letter APOLLO ENERGY, INC. request amendment to order numbers: CTB162, CTB171, CTB170 and CTB188.

All wells are stripper status and are commingled in various batteries - that is: fee with fee and federal with federal. Common royalties to the leases commingled and low volume wells makes it efficient as well cost effective to test wells with a portable well tester. It has been a practice at APOLLO to test all the wells religiously, specially because of our future plans for secondary recovery. It is important for us to know what each well produces, not only for reporting purposes but also for engineering purposes.

An amendment to the above mentioned orders and a favorable reply will be greatly appreciated. Thank you for your cooperation.

Sincerely,

APOLLO ENERGY, INC.


M. Y. (Merch) Merchant
President

MYM/lm

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Apollo Energy, Inc. / P. O. Box 5315 / Hobbs, New Mexico 88241 / Phone (505) 397-3596

September 13, 1985

New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Re: Well Tests and Meter Proving
Cato San Andres Field
Chaves County, New Mexico

Dear Mr. Sexton:

As per my discussion with Ms. Evelyn Downs of your office, Apollo Energy, Inc., requests Commission approval to continue current practice of testing wells by a portable well tester rather than using mostly "out of service" separator meters at each battery in the Cato San Andres Field.

Almost all wells in the Cato Field are stripper averaging 2 - 3 BOPD and some water. It has been my experience over the last 3 1/2 years in this field, the well test are more dependable and cost effective under the present system than the previous ones which I believe were not used in years (I suspect the tests were "boiler house").

Please inform me of your decision at your earliest convenience. I appreciate your cooperation and look forward to a favorable response.

Yours truly,

APOLLO ENERGY, INC.

M. Y. (Merch) Merchant
President

MYM/jh