

AUSTRAL OIL COMPANY

INCORPORATED

2700 HUMBLE BUILDING

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July 2, 1965

JC - 2789

Mr. A. L. Porter, Jr., Secretary
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Request to Commingle Production
Bunny et al #1 (Dual) Well
Graneros-Dakota & Blanco Mesaverde Pools
San Juan County, New Mexico
DB 64-43

Dear Mr. Porter:

Austral Oil Company Incorporated wishes to request that the New Mexico Oil Conservation Commission grant it permission to commingle the production from the two producing zones in the captioned well. Austral bases its request on the precedent set by the Commission in response to identical requests made by other operators for wells very similar to its own in this immediate area.

In addition, the very low distillate productivity of the Mesaverde Formation does not make it economically feasible to install separate tankage.

If permission is granted to commingle the production from these two zones, it is Austral's intention that the distillate production shall be allocated to each zone based on the gas volume produced from that zone and the barrels distillate per MMCF from each zone as determined by periodic individual well testing.

If additional information is desired or required, please contact the writer at CApitol 8-9461.

Yours very truly,

Marvin E. Smith

Marvin E. Smith
Senior Staff Engineer

MES/mb