

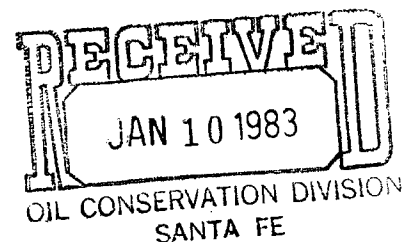


Amoco Production Company (USA)

Post Office Box 68
Hobbs, New Mexico 88240

S. J. Okerson
District Superintendent

January 6, 1983



File: SJ0-31-WF

Re: Application to Downhole Commingle
State "W" Well No. 1
South Carlsbad Morrow and Atoka Gas Pools
Eddy County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Approval is hereby requested to downhole commingle the State "W" Well No. 1 in accordance with NMOCD Rule 303-C.

This well is located 1980' FNL x 1980' FEL, Section 3, T-23-S, R-26-E, Eddy County, New Mexico and is dually completed in the South Carlsbad Morrow (gas) and South Carlsbad Atoka (gas) zones. Attached is a map showing the subject well and the offset operators. Since completion of the well in 1973, the Morrow zone flowed up a tubing string while the Atoka zone produced up the tubing-casing annulus. See attached before workover wellbore sketch. Consequently the reservoir pressure in both zones has depleted to the point where minimal flow rates are being achieved from both zones. During a recent workover (1982) the Morrow zone was shut-in by setting a retrievable bridge plug above the Morrow perforations. The Atoka zone was stimulated with acid and is currently producing up the tubing string from below a packer. See attached after workover wellbore sketch. Due to the low flow rate achieved it is believed the Atoka zone will not economically produce up the annulus. Before and after workover wellbore sketches are attached. We feel commingling both gas zones and producing through a single tubing string will enhance the economic operation of the well and prevent waste by allowing us to produce the remaining reserves.

In support of our request, we submit the following facts:

1. The latest 24 hour productivity tests are as follows:

	Date	BOPD	BWPD	MCFPD	Perforations
Atoka	* 12-11-82	0	0	94	10,740'-78'
Morrow	** 8-02-82	0	4	97	11,331'-655'

* Atoka now producing up tubing.

** Latest test recorded - Morrow shut-in during workover (8/4/82-12/10/82). Copy of GOR tests are attached.

2. Neither zone produces more water than the combined oil limit as determined in Rule 303, paragraph C.
3. We estimate the value of the commingled production stream will not be less than the sum of the values of the individual streams. The gas produced from both of these zones are sold to El Paso Natural Gas Company under the same contract. Adjustments are made for BTU content. The BTU test are as follows:
Atoka - 1,023 BTU/CF @ 14.73 PSIA, 60°F, Dry.
Morrow - 1,022 BTU/CF @ 14.73 PSIA, 60°F, Dry.
Copy of the tests are attached.

4. Both zones to be commingled have common ownerships.

5. Estimated bottom hole pressures are:
Atoka 2887 PSI
Morrow 2857.1 PSI
Copies of the BHP-Buildup tests are attached.

6. Recommended gas allotments are as follows:
Atoka Reserves 362 MMCF
Morrow Reserves 839 MMCF
1201 MMCF

$$\text{Atoka Allotment} = \frac{362}{1201} = 30\% \text{ Monthly}$$

$$\text{Morrow Allotment} = \frac{839}{1201} = 70\% \text{ Monthly}$$

Note: Both zones produce at approximately the same rate.

7. The fluids from this well are very minimal, averaging 1.5 BBLs per day. The produced fluids should be compatible and commingling these fluids should not result in precipitates which might damage the reservoirs. Since both Morrow and Atoka formations are of Pennsylvanian Age, their formation fluids are very similar in chemical makeup.
8. All offset operators have been notified by registered mail. (Copy of receipts attached.)

January 6, 1983
File: SJ0-31-WF
Page Three

9. Other supporting data attached are: list of all offsetting operators, production decline curves for each zone, cumulative gas production curves, and proposed wellbore configuration for commingling.

If you have any questions, contact Charles M. Herring (505) 393-1781.

Yours very truly,



Attachments

cc: State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Drawer DD
Artesia, NM 88210

J. M. Allen - Houston, TX w/attachments

Offset Operators

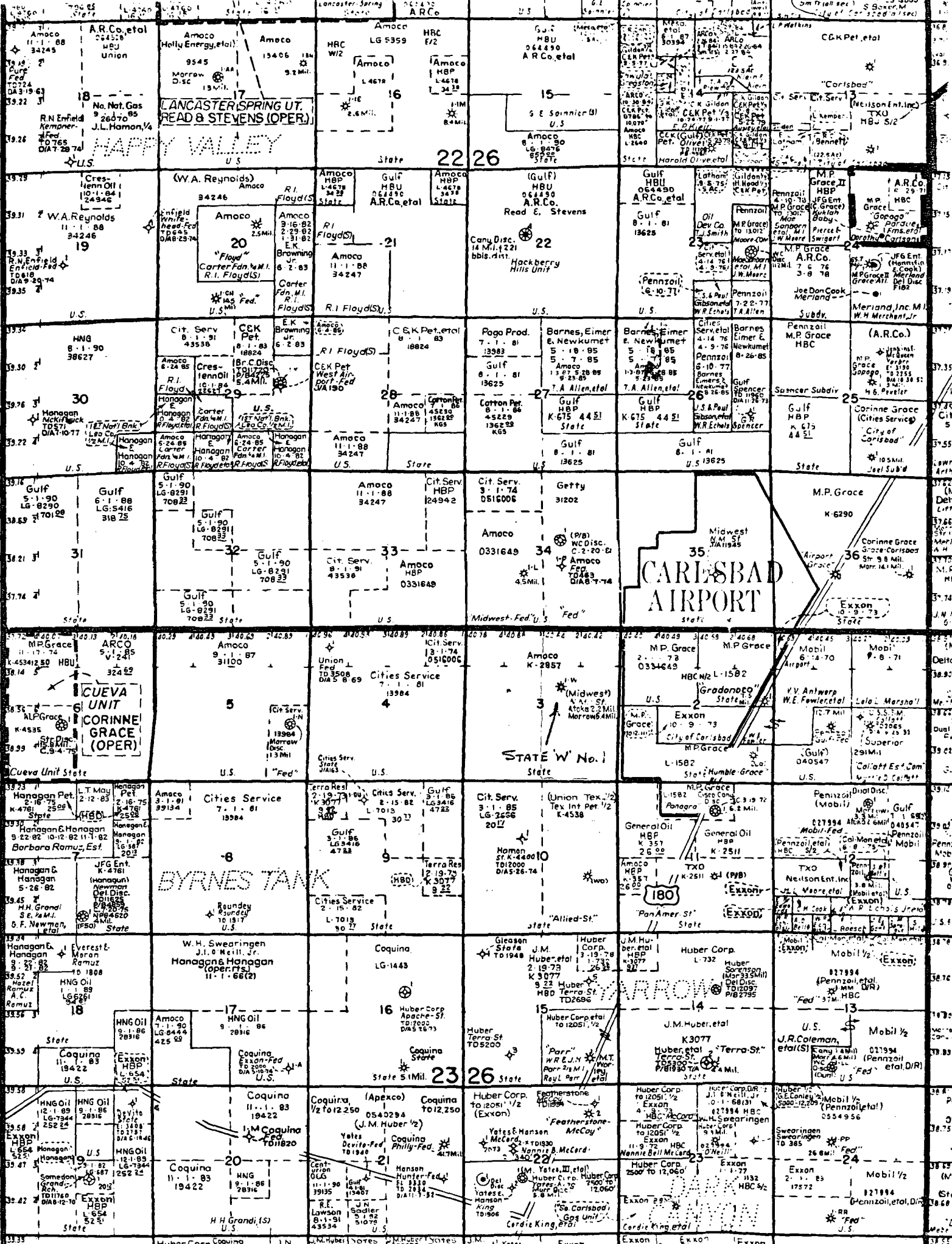
Texas International Petroleum Corporation
3535 NW 58th St.
Suite 300
Oklahoma City, OK 73112

General American Oil Company of Texas
P. O. Box 128
Loco Hills, NM 88255

Cities Service Company
P. O. Box 1919
Midland, TX 79702

Michael P. Grace II
P. O. Box 1418
Carlsbad, NM 88220

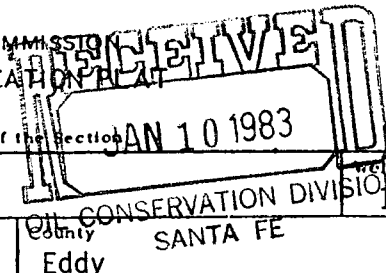
T
2
S



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the section.



Operator Amoco Production Company			Lease State "W"			Well No.
Unit Letter G	Section 3	Township 23-S	Range 26-E	County Eddy		

Actual Footage Location of Well:

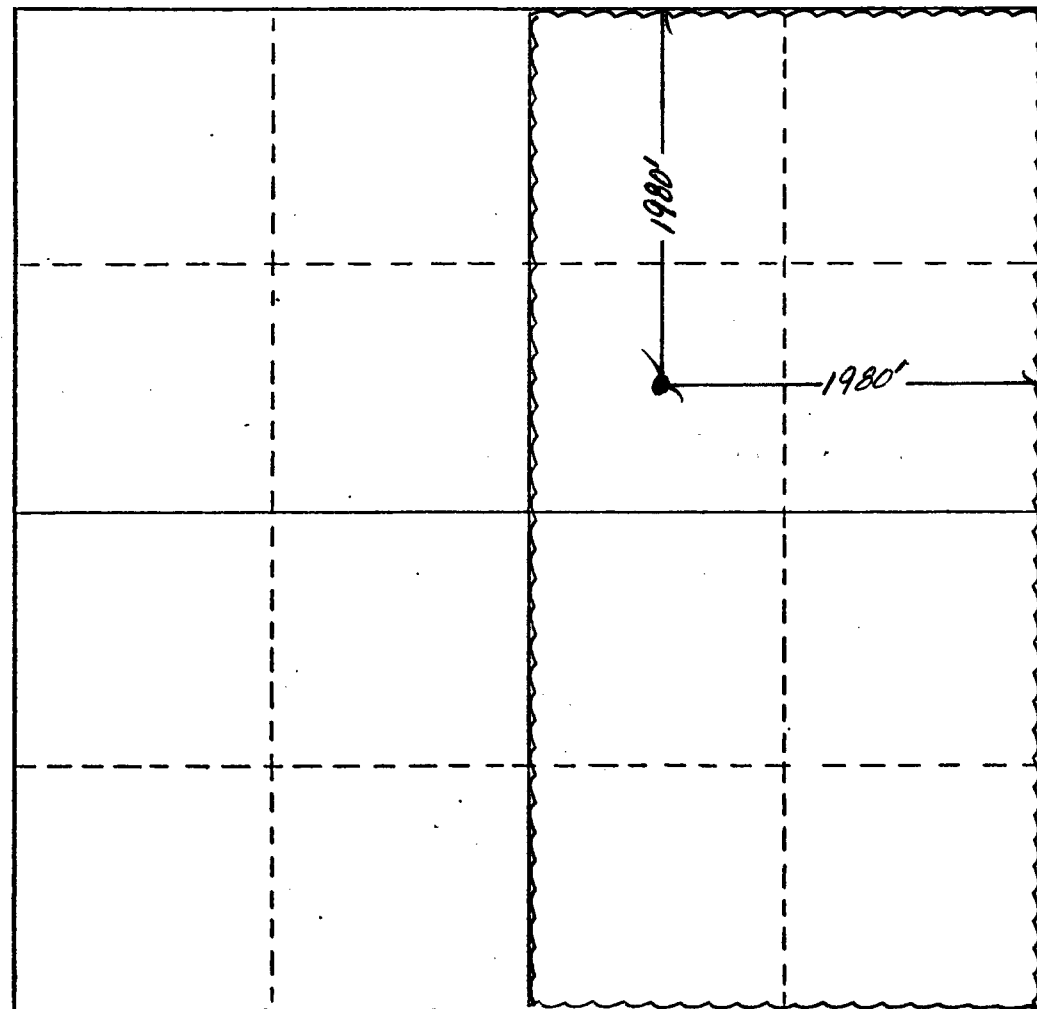
1980	feet from the	North	line and	1980	feet from the	East	line	
Ground Level Elev. 3286'	Producing Formation MORROW		Pool South Carlsbad Morrow		Dedicated Acreage: 320			Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

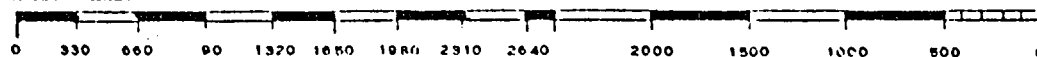
Name: Charles M. Luning
Position: Assistant Admin. Analyst
Company: Amoco Production Company
Date: 12-16-82

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

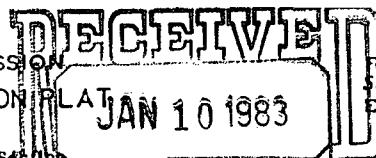
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT



Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

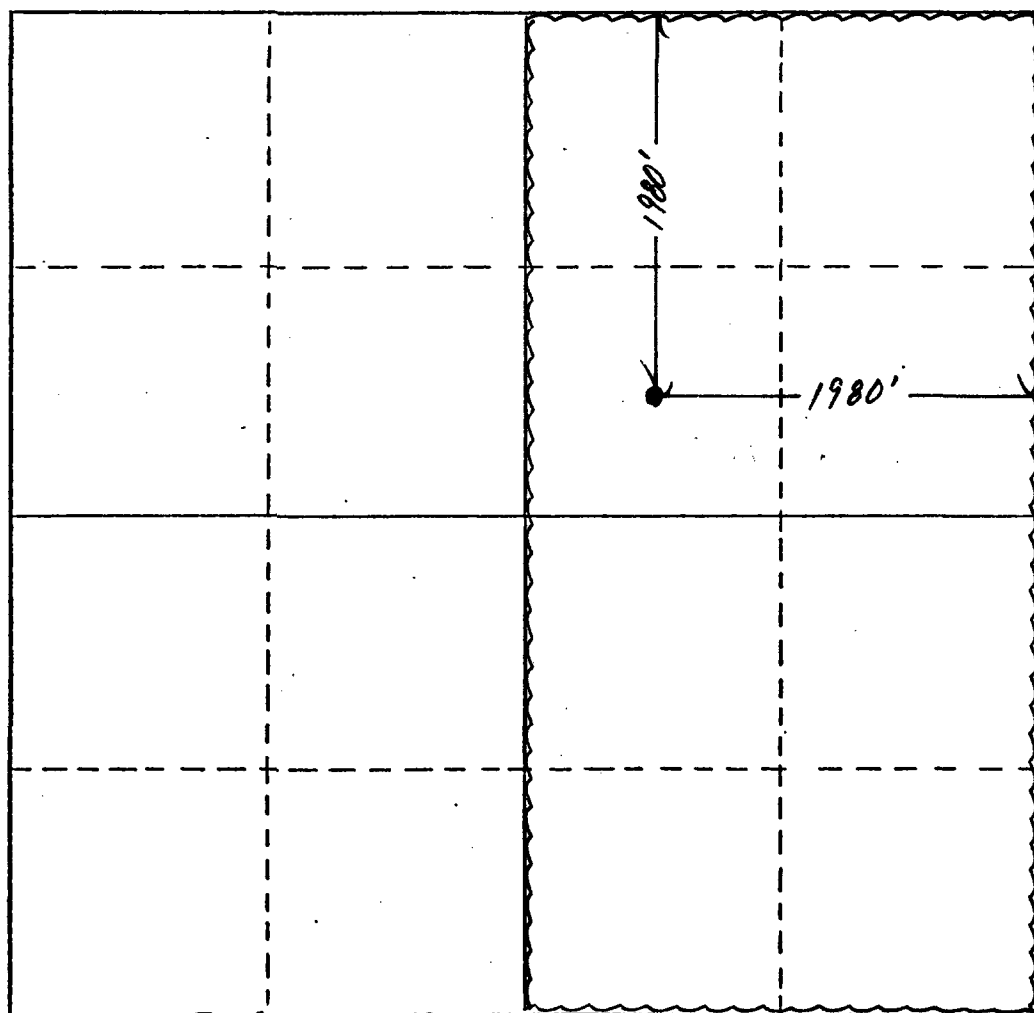
Operator Amoco Production Company			Lease State "W"		OIL CONSERVATION DISTRICT No. SANTA FE 1
Unit Letter G	Section 3	Township 23-S	Range 26-E	County Eddy	
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3286'	Producing Formation ATOKA		Pool South Carlsbad Atoka		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

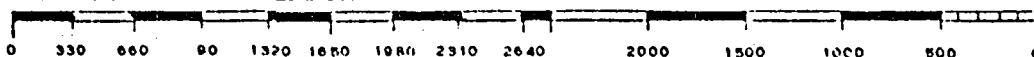
Name Charles M. Ferring
Position Assistant Admin. Analyst
Company Amoco Production Company
Date 12-16-82

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Registered Professional Engineer and/or Land Surveyor

Certificate No. _____





Amoco Production Company

ENGINEERING CHART

SHEET NO.

OF

FILE

APPN

SUBJECT State "W" Well No. 1 (BEFORE NOV. 1982 WORKOVER)

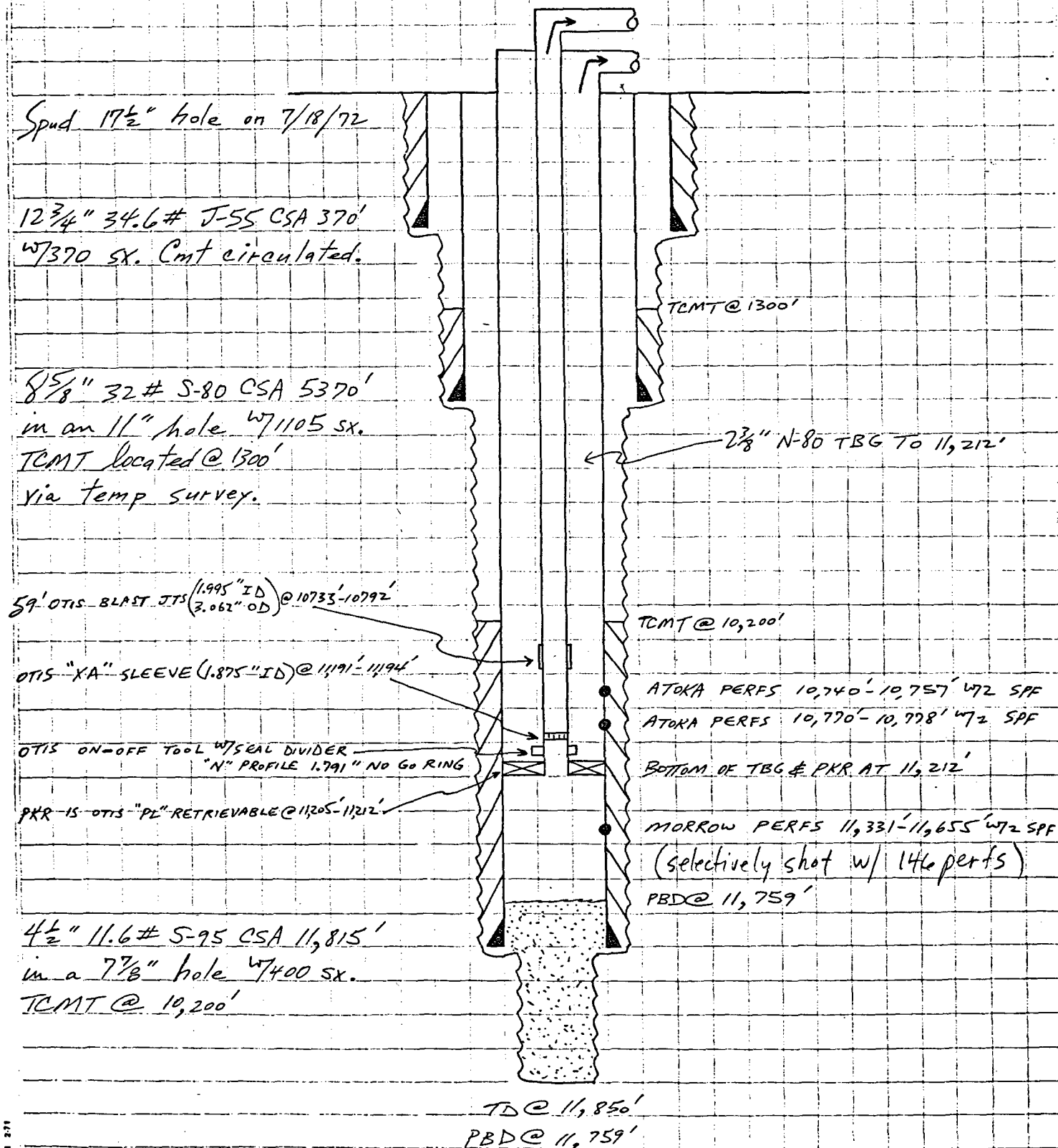
DATE 11-10-81

BY Steve Bates

Unit Letter G, 1980' FNL x 1980' FEL of Sect 3, T23S, R26E

Eddy County, New Mexico Elevation @ GL=3286' @ DF=3303' @ KB=3304.5'

Well completed in NOV., 1972 (320 acres or the eastern 1/2 of section are dedicated)





Amoco Production Company

ENGINEERING CHART

SHEET NO. OF

FILE

APPN

DATE 1-5-83

BY FAW

SUBJECT State "W" Well No. 1

(after Nov., 1982 Workover)

Unit G, 1980' FNL x 1980' FEL, Sec. 3, T-23-S, R-26-E
Eddy County, NM

Completed Nov. 72
Spud hole on 7-18-72

G.L. 3286'
K.B. 3304.5'

12 $\frac{3}{4}$ " CSA 370'
34.6#, J-55,
CMT $\frac{1}{2}$ " 370 sx. Circ.
17 $\frac{1}{2}$ " Hole.

8 $\frac{5}{8}$ " CSA 5370'
32#, S-80 (Temp sur.)
CMT $\frac{1}{2}$ " 1105 sx. TCMT @ 1300'
11" Hole.

PSA 10,685'
2 $\frac{3}{8}$ " TBG TO SURF.

TCMT by Tmp Sur 620'
sg. - csg leak ap x 5352-5530'

TCMT @ 10,200

Atoka Perfs: 10,740'-757' $\frac{1}{2}$ SPF
Atoka Perfs: 10,770'-778' $\frac{1}{2}$ SPF

RBP SA 10,849'
Morrow Perfs: 11,331'-655' $\frac{1}{2}$ SPF

4 $\frac{1}{2}$ " CSA 11,815'
11.6#, S-95
CMT $\frac{1}{2}$ " 4005x TCMT @ 10,200'
7 $\frac{1}{8}$ " Hole.

TD: 11,850'
FETO: 11,759'

GAS-OIL RATIO TESTS

Operator: Amoco Production Company		Pool: Carlsbad Atoka South		County: Eddy	
Address: P. O. Box 68, Hobbs, New Mexico 88240				TEST - (X)	
LEASE NAME		WELL NO.		DATE OF TEST	
State "W"		1		12-11-82 P	
LOCATION		DATE OF TEST		CHOKE SIZE	
U S T R		12-11-82 P		TSG. PRESS.	
1		G		3	
23		26		12-11-82 P	
24		0		0	
94		0		0	
GAS - OIL RATIO		CU.FT./BBL		0	

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowable when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific Gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with Rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Bonita Cobb
(Signature)
Assist. Admin. Analyst
12-14-82
(Title)

Operator: Amoco Production Company Pool: Carlsbad Morrow South County: Eddy

Address: P. O. Box 68, Hobbs, NM 88240

LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	TYPE OF TEST - (X)	CHOKE SIZE	TSG. PRESS.	DAILY ALLOW. ABLE	GROSS TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER SOLID.	CRAV. OIL	OIL SOLID.	GAS M.C.F.	
Midwest L Federal Gas Com.	1	K	34	22	26	8-20-81	F	48/64	---	---	24	1		3	317	105667
State W	1	G	3	23	26	9-25-81	F	48/64	90	---	24	3		0	31	0

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with Rule 331 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Mark J. Altman
(Signature)
Asst. Administrative Analyst

PLOT 2 17.52.19 FRI 17 DEC, 1982

JOB-R63402X1, S000, TULSA CENTER -DISPLA VER 8.2



INDUSTRY PRODUCTION DATA RATE-TIME PLOTS

GAS

WELL: STATE W 000001 API NO: 300162068200

FIELD: CARLSBAD MORROW, SO. (PRORATED GAS 008011924 PERFS: 11331 - 11665

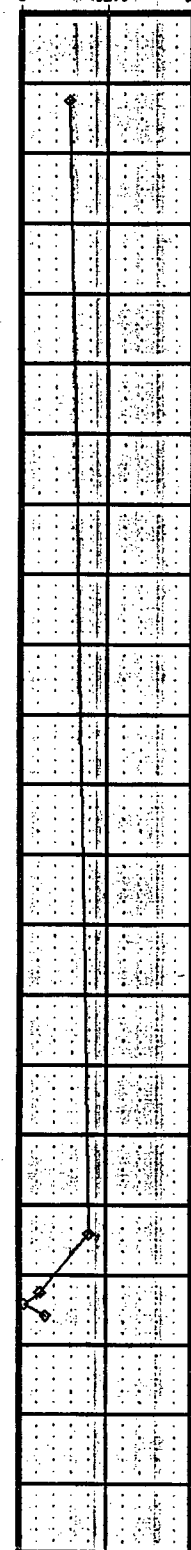
OPERATOR: AMOCO PRODUCTION CO 019922 COMP DATE: 73 11

STATE: NM 30 COUNTY: EDDY 015 GENID: 4W441224

FIRST PROD 73 07 LAST PROD 82 06 RESERVOIR:

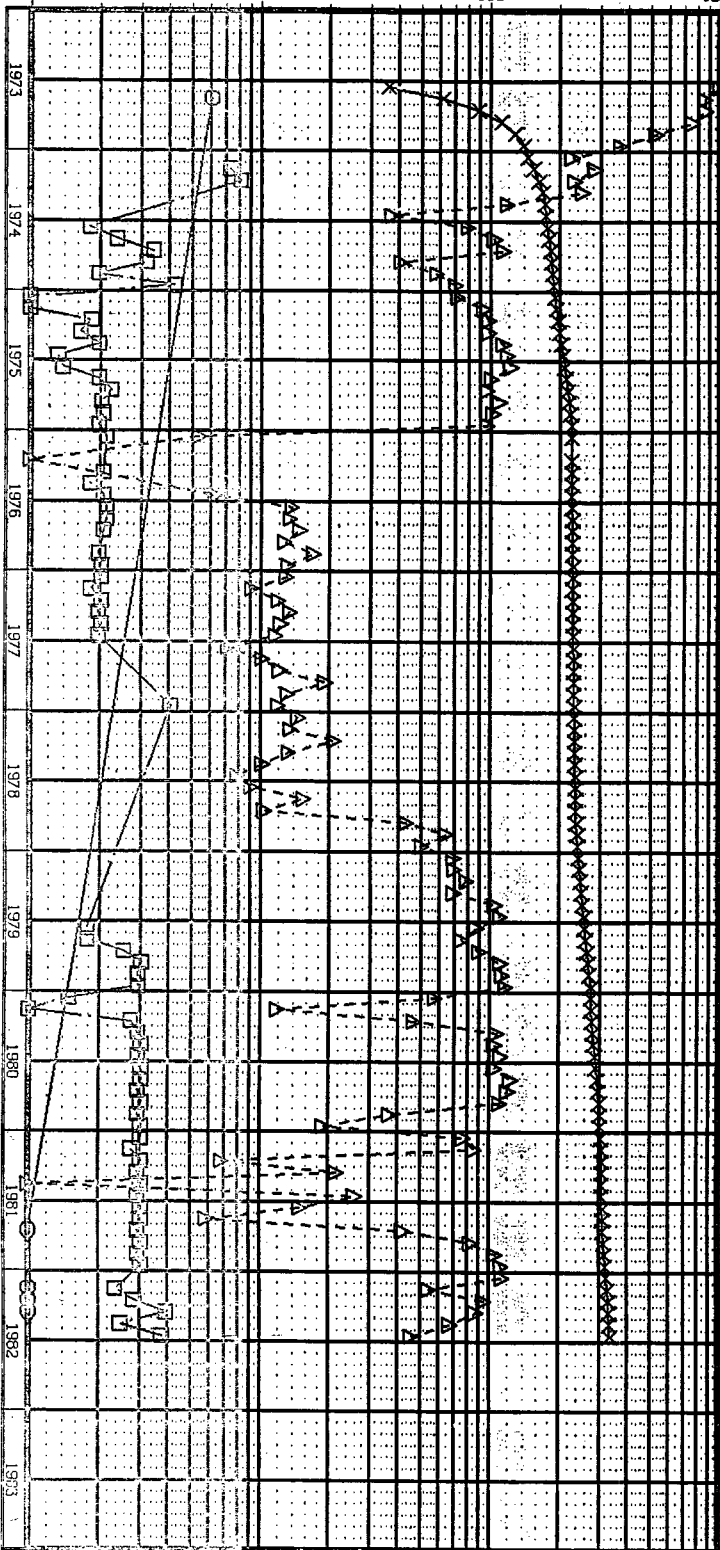
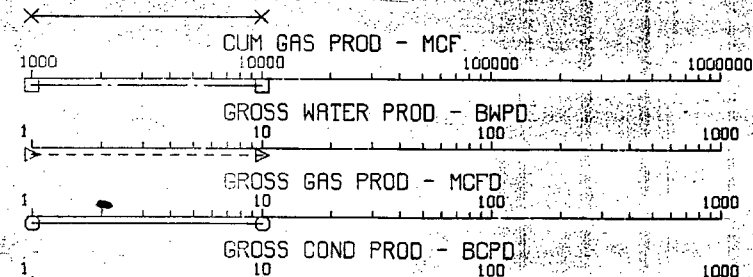
REQUESTOR: ROBERTS -HOB-05 LOCATION: HOBBS MAJOR PROD CUM: 336,442

COND YIELD - BCPMMCF



MAJOR PRODUCT

CONCENTRATION PERCENTAGE



1982-12-17

TIME

REPORT NUMBER 321

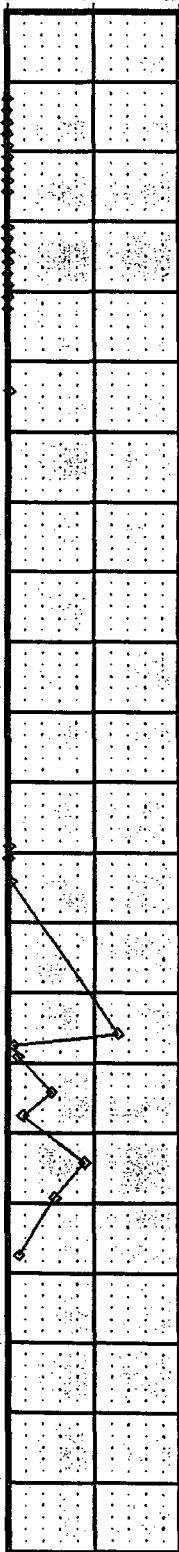


INDUSTRY PRODUCTION DATA RATE-TIME PLOTS

GAS

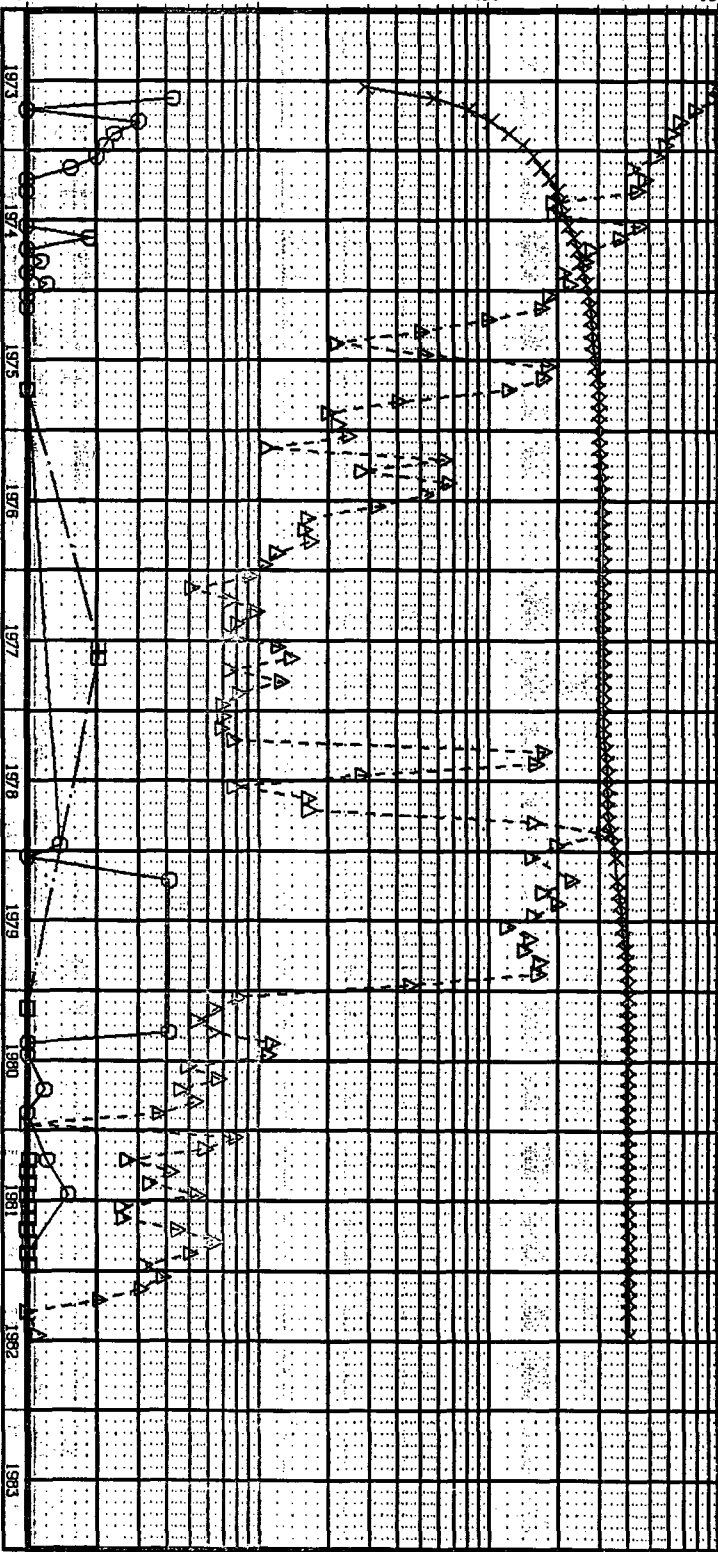
WELL: STATE W 000001
 FIELD: CARLSBAD ATOKA, SOUTH (GAS)
 OPERATOR: AMOCO PRODUCTION CO 019922
 STATE: NM 30 COUNTY: EDDY
 FIRST PROD 73 07 LAST PROD 82 06
 REQUESTOR: ROBERTS-HOB-05 LOCATION: HOBBS
 API NO: 300152068200
 PERFS: 10740 - 10778
 COMP DATE: 72 11
 GENID: 4W41223
 RESERVOIR:
 MAJOR PROD CUM: 408,130

COND YIELD - BCPMMCF
 0 500 1000



MAJOR PRODUCT -

CUM GAS PROD - MCF
 1000 10000 100000 1000000
 GROSS WATER PROD - BWPD
 1 10 100 1000
 GROSS GAS PROD - MCFD
 1 10 100 1000
 GROSS COND PROD - BCPD
 1 10 100 1000



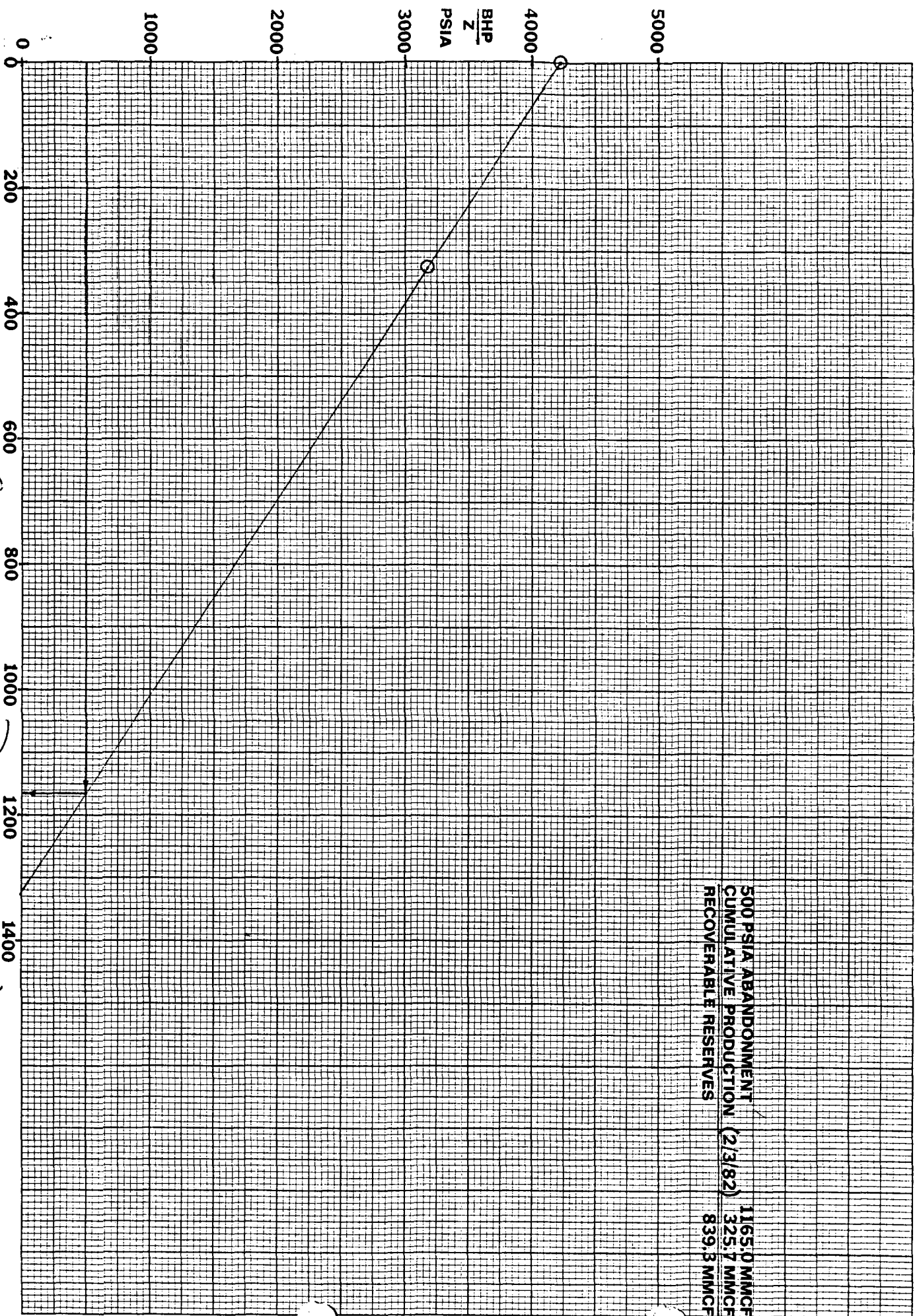
1982-12-17

TIME

REPORT NUMBER 321

STATE "W" NO. 1 MORROW RESERVES ESTIMATE

500 PSIA ABANDONMENT 1165.0 MMCF
CUMULATIVE PRODUCTION (2/3/82) 325.7 MMCF
RECOVERABLE RESERVES 839.3 MMCF



Pressure vs. Cumulative Production (MMCF)

STATE "W" NO. 1 ALOKA RESERVES ESTIMATE

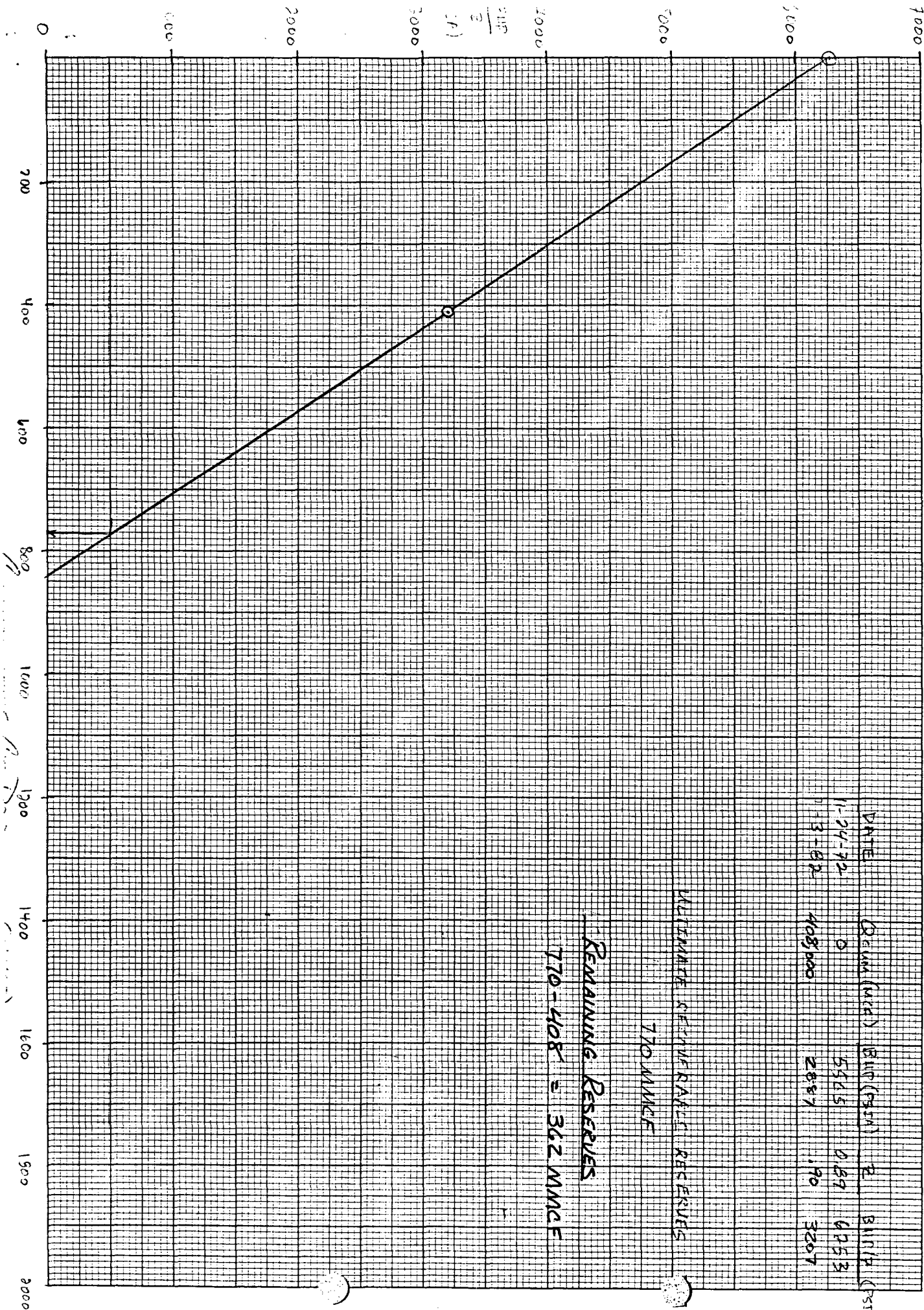
DATE	DEBIT (MCF)	CREDIT (MCF)	BALANCE	BALANCE (PSYH)
1-24-72	0	5545	0.89	6253
3-82	408,000	2847	1.90	3207

ULTIMATE CUMULATIVE RESERVES

770 MMCF

REMAINING RESERVES

770-408 = 362 MMCF



COMPANY Amoco WELL State W NO. 1
 FIELD Atoka STATE N. Mex. DATE 11-28-82
 ELE. # 50410 PRESS. RANGE, 0 TO 6000 PSI. DATE CALIBRATED 10-28-81
 CALIBRATION: X = _____ y - _____ @ _____ °F. TEMP. _____
 TEMP. CORR. = _____ °F. TEMP. COEF. = _____ / °F. C = _____
 _____ = _____ " 1 _____ = _____ " * _____ # PRESS. CORR. TO DATUM @ _____

CHF DEPTH OR CUM.	DEFL INCH @ _____ FT	PSI @ _____ °F.	TEMP. CORR. PSI	CORRECTED PSI @ _____ °F.	CUM HRS	PSI DIFF	DEPTH DIFF.	GRADIENT PSI/FT	•	REMARKS
11-24-82	FTP	145#		FCP 675#			1 PM			
	SITP	710#					2 PM			
Start	.357			1203						
HR 1	.554			1871						
2	.620			2095						
3	.654			2211						
4	.675			2282						
5	.692			2340						
6	.700			2367						
7	.708			2395						
8	.716			2422						
9	.727			2459						
10	.750			2537						
11	.766			2592						
12	.774			2619						
13	.777			2629						
14	.781			2643						
15	.783			2650						
16	.785			2657						
17	.785			2657						
18	.789			2670						
19	.790			2674						
20	.791			2677						
21	.791			2677						
22	.793			2684						
23	.794			2687						
24	.795			2690						
25	.796			2694						
26	.796			2694						
27	.797			2677						
28	.798			2701						
29	.800			2708						
30	.803			2718						
31	.804			2721						
32	.807			2731						
33	.808			2734						
34	.810			2742						
35	.812			2748						
36	.814			2755						
37	.816			2762						

COMPANY Amoco WELL STATE W NO. 1

FIELD _____ STATE _____ DATE 11-28-82

ELE. # 50410 PRESS. RANGE, 0 TO 6000 PSI. DATE CALIBRATED 11-28-81

CALIBRATION: X = _____ y - _____ @ _____ °F. TEMP. _____

TEMP. CORR. = _____ °F. TEMP. COEF. = _____ / °F. C = _____

_____ = _____". 1 _____ = _____" * _____# PRESS. CORR. TO DATUM @ _____

CHF DEPTH OR CUM."	DEFL INCH @ _____ FT	PSI @ _____.F.	TEMP. CORR. PSI	CORRECTED PSI @ _____ F.	CUM HRS	PSI DIFF	DEPTH DIFF.	GRADIENT PSI/FT	REMARKS
38	.818			2769					
39	.820			2776					
40	.821			2779					
41	.822			2782					
42	.824			2789					
43	.826			2796					
44	.827			2799					
45	.828			2803					
46	.830			2810					
47	.832			2816					
48	.832			2816					
49	.831			2813					
50	.833			2820					
51	.834			2823					
52	.835			2827					
53	.837			2833					
54	.838			2837					
55	.839			2840					
56	.840			2844					
57	.842			2850					
58	.842			2850					
59	.844			2857					
60	.845			2861					
61	.847			2867					
62	.850			2878					
63	.851			2881					
64	.852			2887					
65	.852			2887					
66	.852			2887					
67	.852			2887					
68	.852			2887					
Start out with Gradient stops									
11-24-82 Run By HES									
11-27-82 Pull By HES									
C Myers									
11-28-82									

[illegible]



Amoco Production Company

ENGINEERING CHART

SHEET NO. OF

FILE

APPN

DATE 1-5-83

BY FAW

SUBJECT State "W" Well No 1

(PROPOSED CONFIGURATION for COMMINGLING)Unit G, 1980' FNL x 1980' FEL, Sec. 3, T-23-S, R-26-E
Eddy County, NMCompleted Nov. 72
Spur hole on 7-18-72G.L. 3286'
K.B. 3304.5'12 $\frac{3}{4}$ " CSA 370'
34.6#, J-55,
CMT w/ 370 sx. Circ
17 $\frac{1}{2}$ " Hole.8 $\frac{5}{8}$ " CSA 5370'
32#, S-80 (Temp sur.)
CMT w/ 1105 sx. TCMT @ 1300'
11" Hole.SET PKR @ APPROX 10,650'
2 $\frac{3}{8}$ " TBG TO SURF.TCMT by Tmp Sur 620'
Sg. csg leak apx 5352-5530

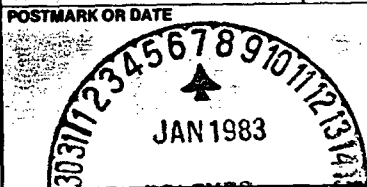
TCMT @ 10,200

Atoka Perfs: 10,740'-757' $\frac{w}{2}$ SP
Atoka Perfs: 10,770'-778' $\frac{w}{2}$ SPMorrow Perfs: 11,331'-655' $\frac{w}{2}$ SP4 $\frac{1}{2}$ " CSA 11,815'
11.6#, S-95
CMT w/ 4005 sx. TCMT @ 10,200'
7 $\frac{1}{8}$ " Hole.TD: 11,850'
FETD: 11,759'

P 323 550 813
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO <i>Cities Services Company</i>	
STREET AND NO. <i>P.O. Box 1919</i>	
P.O., STATE AND ZIP CODE <i>Midland, TX 79702</i>	
POSTAGE	\$.54
CERTIFIED FEE	.75
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	.60
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.89

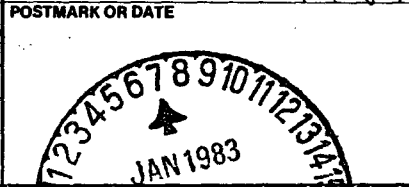


PS Form 3800, Apr. 1976

P 323 550 815
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO <i>General American Oil Co. of TX.</i>	
STREET AND NO. <i>P.O. Box 128</i>	
P.O., STATE AND ZIP CODE <i>LOCO HILLS, NM 88255</i>	
POSTAGE	\$.54
CERTIFIED FEE	.75
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	.60
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.89

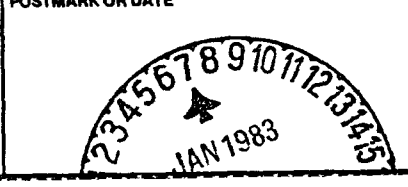


PS Form 3800, Apr. 1976

P 323 550 814
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO <i>TEXAS International Petm. Corp.</i>	
STREET AND NO. <i>3535 NW 58th Street Ste 300</i>	
P.O., STATE AND ZIP CODE <i>Oklahoma City, OK 73112</i>	
POSTAGE	\$.54
CERTIFIED FEE	.75
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	.60
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.89

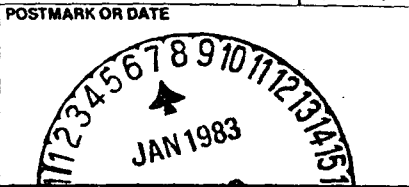


PS Form 3800, Apr. 1976

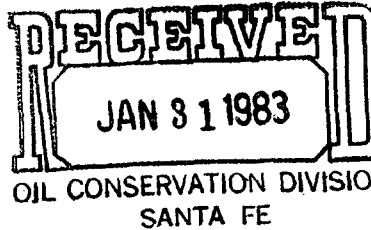
P 323 550 816
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO <i>Michael P. Grace II</i>	
STREET AND NO. <i>P.O. Box 1418</i>	
P.O., STATE AND ZIP CODE <i>Carlsbad, NM 88220</i>	
POSTAGE	\$.54
CERTIFIED FEE	.75
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	.60
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.89



PS Form 3800, Apr. 1976



Amoco Production Company (USA)

Post Office Box 68
Hobbs, New Mexico 88240

S. J. Okerson
District Superintendent

January 6, 1983

File: SJO-29-WF

Re: Downhole Commingling of
The State "W" Well No. 1
South Carlsbad Morrow and Atoka Gas Pools
1980' FNL x 1980' FEL
Section 3, T-23-S, R-26-E
Eddy County, New Mexico

Texas International Petroleum Corporation
3535 NW 58th Street
Suite 300
Oklahoma City, OK 73112

Gentlemen:

Amoco Production Company, as operator of the State "W" Well No. 1, hereby notifies you that we have applied to the NMOCD for Administrative Approval to downhole commingle the subject well.

Our plans are to place a packer above the Morrow and Atoka gas zones and produce both through a single tubing string. Commingling will enhance the economic operation of the well and allow us to economically recover the remaining reserves.

If you have no objections to the commingling, sign below and forward one copy to the NMOCD in Santa Fe, one copy to the NMOCD in Artesia, one copy to this office and retain one copy for your records. Addressed, stamped envelopes have been provided for your convenience.

Yours very truly,

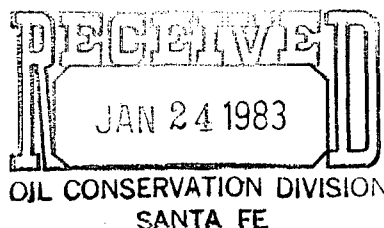
Attachments

APPROVAL

Company: Texas International Co.

By: [Signature]

Date: 1/27/83



Amoco Production Company (USA)

Post Office Box 68
Hobbs, New Mexico 88240

S. J. Okerson
District Superintendent

January 6, 1983

File: SJO-29-WF

Re: Downhole Commingling of
The State "W" Well No. 1
South Carlsbad Morrow and Atoka Gas Pools
1980' FNL x 1980' FEL
Section 3, T-23-S, R-26-E
Eddy County, New Mexico

Cities Service Company
P. O. Box 1919
Midland, TX 79702

Gentlemen:

Amoco Production Company, as operator of the State "W" Well No. 1, hereby notifies you that we have applied to the NMOCD for Administrative Approval to downhole commingle the subject well.

Our plans are to place a packer above the Morrow and Atoka gas zones and produce both through a single tubing string. Commingling will enhance the economic operation of the well and allow us to economically recover the remaining reserves.

If you have no objections to the commingling, sign below and forward one copy to the NMOCD in Santa Fe, one copy to the NMOCD in Artesia, one copy to this office and retain one copy for your records. Addressed, stamped envelopes have been provided for your convenience.

Yours very truly,

Attachments

APPROVAL

Company: **CITIES SERVICE COMPANY**

By:

Date: 1/19/83