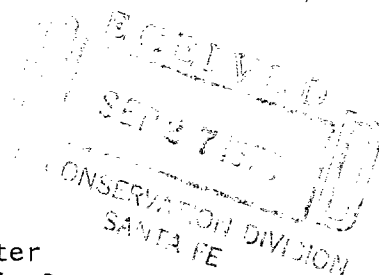


HENRY ENGINEERING

Petroleum Engineers

807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701



September 25, 1979

Mr. Daniel S. Nutter
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Surface Commingling
David Fasken
El Paso "3" Federal #1, Unit K
Avalon Morrow Gas Zone
Avalon Strawn Gas Zone

Dear Mr. Nutter:

On behalf of our client, David Fasken, we request your approval of surface commingling of gas and condensate production from his dually completed El Paso "3" Federal #1, Unit K, located 2870' FEL, 2723.9' FNL, Section 3, T-21-S, R-26-E, NMPM, Eddy County, New Mexico.


This well is dually completed from the Avalon Morrow Gas Zone and the Avalon Strawn Gas Zone through two strings of tubing. From completion until now each zone has been produced, metered and sold separately. However, we now have one compressor located at the well site that is capable of compressing the total gas production from both zones simultaneously, therefore, we respectfully request your approval of surface commingling in order that we may produce both zones through this compressor thereby extending the life of this property and recovering additional reserves and preventing premature abandonment of either zone.

We would propose periodic well tests to allocate the monthly production from each zone.

The working interest, overriding royalty interest, royalty interest, and all pooling provisions for both the Morrow and Strawn are identical.

Yours very truly,

HENRY ENGINEERING


James B. Henry

JBH:vcz