

## NEW I EXICO ENERGY, MI ERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

February 19, 2001

Lori Wrotenbery Director Oil Conservation Division

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2118

Attention: Mr. Albert R. Stall

Re: Windmill State No. 2 Unit E, Section 16, T-15S, R-28E, Chaves County, New Mexico



Dear Mr. Stall:

Please be advised that upon review of the application to downhole commingle Atoka and Morrow gas production within the Windmill State No. 2, it was discovered that this well is located within one mile of the Buffalo Valley-Pennsylvanian Gas Pool. This pool's vertical limits currently comprise the entire Pennsylvanian formation. I have spoken with the OCD Artesia District office and they have advised me that this well will be placed within this pool, therefore downhole commingling approval is not necessary.

Enclosed please find your application to commingle that was filed with the Division on December 1, 2000.

If you should have any questions, please contact me at (505) 476-3466.

Sincerely.

David Catanach Engineer

Xc: OCD-Artesia State Land Office-Oil & Gas Division