STATE OF NEW WEXICU

ENERGY AND MINERALS DEPARTMENT

ARTESIA DISTRICT OFFICE



P.O. DRAWER DD

ARTESIA, NEW MEXICO 88210

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JERRY APODACA GOVERNOR

NICK FRANKLIN SECRETARY

May 17, 1978

Yates Petroleum Corporation 207 South 4th Street Artesia, NM 88210

> Artesia District Office Administrative Order No.DHC II-9 Correction of letter dated 4-7-78

Gentlemen:

In accordance with the provisions of Commission Order No.R-5460 approval is hereby granted for the downhole commingling of the Permo-Penn, Strawn, Atoka and Morrow zones within the well-bore of your State CY #1-K, Section 32, T-17S, R-25E.

Allocation of production from the well shall be on the following basis:

Eagle Creek Permo Penn-86% of the gas and 100% of the Condensate. Eagle Creek Strawn-1% of the gas. Richard Knob Atoka-Morrow-13% of the gas.

Pursuant to said Order No.R-5460, the commingling authority granted by this order may be rescinded by the Secretary Director if, in his opinion, waste or reservoir damage is resulting thereby, or if any change of conditions render the installation no longer eligible for downhole commingling.

Sincerely yours,

W.a. Gresset

W. A. Gressett Supervisor, District II

WAG:ro

Xc: OCD Santa Fe, NM Attn: Mr. Stamets Transporters TWP & NCO