P. O. Box 1046 Artesia, New Mexico 88210

July 1, 1974

D. S. Nutter, Chief Engineer New Mexico Oil Conservation Commission P. O. Eox 2088 Santa Fe, New Mexico 27501

Re: State Well No. 2, State Lease No. B 4575, (East Empire - Yates SR), located in Unit P, 990 feet from the South line and 330 feet from the East line of Section 28, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dear Sir:

We are hereby requesting permission to comingle the casing head gas from the above captioned well with that of the State Well No. 1, State Lease No. B 4575, (Artesia (Q.G.SA), located in Unit P, 330' from the South line and 330' from the East line of Section 29; Township 17 S, Range 28 East, N.M.P.M., Eddy County, New Mexico. 28

The volume of gas from this well is so small that Phillips Petroleum Company will take the gas only on condidtion that it is comingled with that of the No. 1 well.

In order to arrive at an accurate production figure, each well will be shut in periodiodically and tests run to determine production for each individual well.

May we hear from you, regarding this request, at your earliest convenience?

Yours very truly,

John. R. Gray, per

A. Gradsau 4. Goodson, Agent.

J.RG:sa Submitted in triplicate.