

DIRECTOR JOE D. RAMEY OIL CC. SERVATION COMMISS. DN

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 LAND COMMISSIONER PHIL R. LUCERO

January 30, 1978



STATE GEOLOGIST EMERY C. ARNOLD

RECEIVED

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Yates Petroleum Corporation 207 South Fourth, St. Artesia, New Mexico 88210

Attention: Eddie M. Mahfood

Administrative Order No. DHC- 233 Manseau "EK" Com Well No. 1 Unit C, Section 35, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico

Eagle Creek Permo-Pennsylvanian Gas and Eagle Creek-Strawn Gas Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the downhole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Commission Order No. R-5460, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 1% Lower Pool: 99%

Pursuant to Rule 5 of Commission Order No. R-5460, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY Secretary-Director