



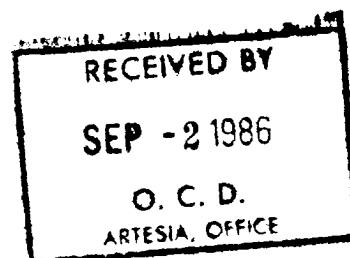
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

August 29, 1986

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

Oil Conservation Division
PO Drawer DD
Artesia, New Mexico 88210

Re: Federal EF #2 (Com) NM-15665
1980' FSL & 660' FWL
Section 31-T17S-R25E
Eddy County, New Mexico



ATTENTION: Mr. L. A. Clements, Supervisor

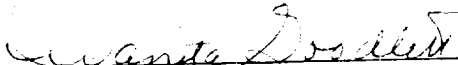
Dear Sir:

Dual completion and commingling for the above captioned well is provided for under special field rules, NMOCD Order R-5460. The District Supervisor is authorized to approve the downhole commingling of marginal zones in the absence of valid objection, and since Yates Petroleum is the only Operator, we have no objection to the commingling. We suggest allocating as follows:

Eagle Creek Permo-Penn - 44%
Eagle Creek Strawn - 56%

Attachment showing computations for allocation is hereby enclosed.

Yours truly,



Juanita Goodlett for
Eddie Mahfood, Petroleum Engineer

cc: Bureau of Land Management
PO Box 1778
Carlsbad, NM 88220