Gulf Oil Exploration and Production Company

R C Anderson PRODUCTION MANAGER HORBS AREA

September 6, 1983

P. O. Box 670 Hobbs, NM 88240

SEP 1 2 1983

O. C. D.

ARTESIA, OFFICE

Littlefield "EM" Federal Com #1 Re: Unit J, Section 20-T18S-R31E Eddy County, New Mexico RECEIVED BY

Mr. Mike Williams Oil & Gas Inspector New Mexico Oil Conservation Division P. O. Drawer DD Artesia, New Mexico 88210

Dear Sir:

This letter is to confirm your conversation on August 29, 1983, with Ronn Brock of our office concerning our interest in filing for approval to downhole commingle the Shugart Atoka and the Shugart Morrow gas zones.

We understand that you will allow us to continue to produce these zones pending administrative approval to downhole commingle the two gas zones.

We are preparing the necessary forms as required under Rule 303-C to submit to Santa Fe to begin the approval process.

Your assistance in this matter is sincerely appreciated.

Yours very truly,

R. C. ANDERSON

RMB/skc

cc: Mr. Armando Lopez Bureau of Land Management P. O. Drawer 1857 Roswell, New Mexico 88201

