R-10304

Case No. 11181 OL CONSERN RELE , FO '95 FE - 75 AM 8 52

State of New Mexico Commissioner of Public Lands 310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760 FAX (505) 827-5766

RAY POWELL, M.S., D.V.M. COMMISSIONER

February 13, 1995

Enron Oil & Gas Company P. O. Box 2267 Midland, Texas 79702

Attn: Mr. Randall S. Cate

Re: Temporary Downhole Commingling James Ranch Unit Well No. 71 Section 36-22S-30E Eddy County, New Mexico

Dear Mr. Cate:

This office is in receipt of your letter of January 20, 1995. In your letter you have requested our approval to downhole commingle the production from the Wolfcamp and Bone Spring zones within the wellbore of the James Ranch Unit Well No. 71.

We regret to inform you that before we can approve your request, we would like you to address the following concerns:

- 1. Our records reveal that Bass Enterprises Production Company is the operator of record for this unit. Does Bass Enterprises approve of your proposed request?
- 2. We have not received a commercial determination for either the Bone Spring or Wolfcamp completions. Please submit commercial determinations for both of these completions.
- 3. Are participating areas pending for any of these zones?
- 4. If one zone is commercial and the other zone is non-commercial, will Bass Enterprises Production Company operate both zones from this well?
- 5. We would like to review the data used for your proposed allocation formula.
- 6. Since your application is for a "temporary downhole commingling" request, for what period of time do you intend to commingle the production from this well?

Enron Oil and Gas Company February 13, 1995 Page 2

7. Since the James Ranch Unit contains federal lands, please submit a copy of your request to John Simitz at the Bureau of Land Management in Roswell for his review.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

RX:

JAMES B. LEWIS, Director Oil, Gas and Minerals Division (505) 827-5744

RP/JBL/pm

cc: Reader File BLM - Roswell, New Mexico Attn: John Simitz OCD - Santa Fe - Attn: David Catanach, Ben Stone