

CHARLES B. READ  
PRESIDENT

*Read & Stevens, Inc.*

*Oil Producers*

*P. O. Box 1518*

*Roswell, New Mexico 88202*

October 23, 1990

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Attention: Mr. William J. Lemay

Subject: Continental St. #2  
660' FSL & 660' FWL  
Sec 7 T10S R 34E  
Lea Co., NM

Gentlemen,

Read and Stevens, Inc., requests administrative approval for commingling of the Bough "C" and Abo formations in the subject well. In support of this request:

- a) Operator: Read and Stevens, Inc.  
400 N. Penn., Suite 1000  
Roswell, NM 88202
- b) Pools: Lane Abo  
Vada Penn
- c) Exhibit I: Plat of acreage and offset owners  
attached.
- d) Exhibit II:
  - a) C-116 forms on both zones, the Abo  
being within 30 days,
  - b) the Bough "C" being prior to  
recompletion to the Abo.
- e) Exhibit III: Production decline curve showing oil and  
gas production from January 1980, through  
present. The Abo has been completed for  
less than 1 year, therefore, the following  
is a complete resume of the well's  
completion history in the Abo, per NMOC  
rule 303.C.2.e. The Bough "C" became  
marginally economic to produce, therefore,  
in March of 1990, a CIBP was set @ 9,100'  
over the Bough "C" perms 9,838'-9,842'.  
The Abo was then perforated at 8,929'-