

NEW NEXICO ENERGY, MC ERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

September 11, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Novy Oil & Gas, Inc. 125 N. Market Suite 1230 Wichita, Kansas 67202

Attention: Mr. Frank E. Novy

Re: Form C-107-A

Sunoco Federal No. 1

Unit K, Section 5, T-9S, R-34E Lea County, New Mexico

Dear Mr. Novy:

I have reviewed your recent application to downhole commingle Milnesand-Abo and Vada-Penn Pool production within the Sunoco Federal Well No. 1. Your application indicates that there is currently no production from the Milnesand-Abo Pool. Please be advised that it is the policy of the Division not to approve downhole commingling applications which include zones with no production.

Your application for downhole commingling is hereby denied.

Please contact the supervisor of the Division's Hobbs District Office in order to obtain approval to permanently abandon the Abo zone in the well.

Sincerely,

David Catanach

Engineer

Xc: OCD-Hobbs

Bureau of Land Management-Carlsbad

