

STATE OF NEW MEXICO . ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE August 10, 1983

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

TONEY ANAYA GOVERNOR

> Murphy Operating Corporation 200 West First Street-Fourth Floor Roswell, New Mexico 88201

Attention Mr. Mark B. Murphy

Re: Todd Lower San Andres Unit Section #36 Well No. 5, Unit E, Sec. 36, T-7-S, R-35-E (Formerly Sun Expl. & Prod. Co. NM "AY" State)

Dear Mr. Murphy:

Attached is a copy of a letter from this office to Sun Oil Company regarding the subject well. As you can see from the letter, there are perforations open in both the Todd Upper San Andres Gas Pool and Todd Lower San Andres Associated Pool without approval for downhole commingling.

This has been an ongoing problem which Sun failed to resolve. Now Murphy Operating has inherited the problem, and you are hereby directed to comply with our regulations regarding this matter.

Please advise as to your intention in this regard. If you have questions concerning the matter, please contact me at the above address or telephone number.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District 1

mc Attach.