November 4, 1985

Division Director NMOCC P. O. Box 2088 Santa Fe, New Mexico 87501



Re: Application to Downhole Commingle State 17 No. 1 Sec 17, T-16-S, R-34-E South Peterson Penn Assoc. Roosevelt County, New Mexico

Dear Sir:

Energy Reserves Group, Inc. is hereby applying for approval to downhole commingle the subject well in the Cisco and Granite Wash formations. This well is currently producing from Cisco perforations at 7610'-7714', and has a CIBP set at 7750' which separates the Cisco from the Granite Wash perforations at 7760'-7864'. Commingling will be achieved by simply drilling out the CIBP and running production equipment.

Attached, please find the data necessary to obtain approval for downhole commingling as outlined by the NMOCC's rules and regulations.

Yours very truly,

Michael L. Jones Petroleum Engineer

Michael L. Jones

MLJ/ah

RECEIVED

NOV 12 1985

O.C.D. HOBBS OFFICE