



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 24, 1997

Yates Petroleum Company
105 South Fourth Street
Artesia, New Mexico 88210

Attn: Mr. Morris Keith

Re: Recent Application for Downhole Commingling.

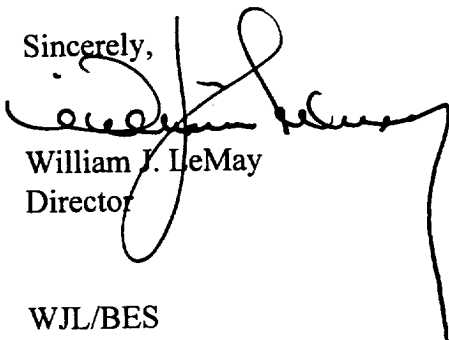
Dear Mr. Keith:

Reference is made to your application to downhole commingle production on your Trick State Well No.1. Your application includes an Undesignated Strawn interval to which no production would be allocated. It has been the long held policy of the Division to not allow downhole commingling in a case which one of the proposed intervals is not productive of oil or gas. With the intent of maintaining such policy, the application is hereby **denied** and, the subject well shall be shut-in upon receipt of this letter.

The Division recommends the following actions be considered. The Strawn interval in the wellbore may be properly plugged off with a cast iron bridge plug and capped with cement in a manner satisfactory to the supervisor of the Hobbs District Office of the Division, or, the matter may be set for an examiner hearing.

Please inform the Division of your intentions at your earliest convenience.

Sincerely,



William J. LeMay
Director

WJL/BES

cc: Oil Conservation Division - Hobbs
file