

Submit 2 copies to Appropriate

District Office.

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-116

Revised 1/1/89

12-23-97

[Handwritten signature]

GAS - OIL RATIO TEST

Operator		Collins & Ware, Inc.		Pool		County		Lea																	
Address		508 West Wall, Suite 1200, Midland, Tx 79701		Blaineby		TYPE OF TEST - (X)		Completion		Special															
LEASE NAME		WELL NO.		LOCATION		DATE OF TEST		CHOKE SIZE		TBG PRESS.		DAILY ALLOWABLE		LENGTH OF TEST HOURS		PROD. DURING TEST		GAS - OIL RATIO							
				U S T R												WATER BBLs.		GRAV. OIL		OIL BBLs.		GAS M.C.F.		CU FT/BBL	
019185 State DA 30-025-06619 <i>Not DAC</i>		004		I 16 21S 37E		11/02/97 F				30				24		0		---		0		31		---	
Drinkard Oil 91% Gas 51%														24		0		---		0		16		---	
Blaineby Oil 9% Gas 49%														24		0		---		0		15		---	

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCP measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Michelle Chappell
Signature

Michelle Chappell Production Clerk
Printed name and title

December 16, 1997 (915) 687-3435
Date Telephone No.

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GAS - OIL RATIO TEST

Operator		Pool		County		LEA	
COLLINS & WARE, INC.		DRINKARD					
Address		TYPE OF TEST - (X)		SCHEDULED		Completion	
508 W. WALL, SUITE 1200, MIDLAND, TX 79701		DAILY ALLOWABLE		PROD. DURING TEST		Special	
LEASE NAME		DATE OF TEST		CHOKE SIZE		LENGTH OF TEST HOURS	
WELL NO.		LOCATION		TBG. PRESS.		WATER BBL.	
		U S T R				OIL BBL.	
						GAS M.C.F.	
						GAS - OIL RATIO CU.FT/BBL.	
STATE DA	1	L	16	21S	37E	TA'D	
STATE DA	2	K	16	21S	37E	08-10-96 F	24
DHC -							
DRINKARD OIL 94%							
GAS 97%							
BLINEBRY OIL 6%							
GAS 3%							
STATE DA	3	J	16	21S	37E	WELL PLUGGED BACK TO BLINEBRY 08/96	24
STATE DA	4	I	16	21S	37E	08-14-96 F	24
DHC -							
DRINKARD OIL 91%							
GAS 51%							
BLINEBRY OIL 9%							
GAS 49%							

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

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Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

Signature

JACK BLEDSOE FIELD SUPERINTENDENT

Printed name and title

09/25/96 915/687-3435

Date

Telephone No.

COLLINS & WARE, INC.

508 WEST WALL AVENUE, SUITE 1200
MIDLAND, TEXAS 79701-5076

(915) 687-3435

September 25, 1996

Jerry Sexton
New Mexico Oil Commission
P. O. Box 1980
Hobbs, New Mexico 88241

Re: State DA No. 2
State DA No. 4
Lea County, New Mexico

Dear Sir:

In 1975 both of the above mentioned wells were dual completed in the Blinebry and Drinkard formations.

In November 1995 Amerada Hess Corporation downhole commingled the two zones in each of these wellbores without filing an application for an exception to Rule 303-C. Collins and Ware Inc. purchased this lease and took over operations July 1, 1996.

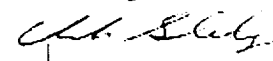
Within the next six months Collins and Ware plans a workover on each of these wells. We plan to plug back the Drinkard and re-stimulate the Blinebry in the State DA No. 4. We plan to either do the same workover on the State DA No. 2 or possibly plug it back to the Grayburg.

We propose allocations for the Form C-116 for each well based on percentages of cumulative production from each zone as follows:

State DA No. 2							
Drinkard				Blinebry			
	Oil	94%			Oil	6%	
	Gas	97%			Gas	3%	
State DA No. 4							
Drinkard				Blinebry			
	Oil	91%			Oil	9%	
	Gas	51%			Gas	49%	

Please notify me if you have any recommendations considering this matter.

Chuck Sledge


Operations Engineer