



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

October 13, 1989

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Amerada Hess Corporation
Drawer D
Monument, NM 88265

Re: Downhole Commingle (DHC-523)
A.B. Baker #3
Unit I, Sec. 10, T22S, R37E
Tubb & Drinkard Pools

Gentlemen:

According to your sundry notice and as authorized by DHC-523, the Tubb and Drinkard zones were downhole commingled in the above-referenced well.

The Tubb zone was classified as gas when downhole commingled and therefore considered to be in the Tubb Prorated Gas Pool. Your gas transporter, Northern Natural Gas, must report the correct percentage of gas production attributable to the Tubb zone on their C-111 so it can be picked up for gas proration purposes. It is your responsibility to make certain that Northern agrees to this procedure.

DHC-523 allocates 4% of the oil and gas production to the Tubb zone and 96% of the oil and gas production to the Drinkard zone.

If you have any questions concerning this, please contact Evelyn Downs at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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cc: Northern Natural Gas Company Attn: Judy Beck
2223 Dodge Street, 8th Floor
Omaha, Nebraska 68102