

HANSON OIL CORPORATION

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ROSWELL, NEW MEXICO 88201

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August 6, 1980

Mr. Joe D. Ramey New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: MAX GUTMAN #4

Unit F, Sec. 19, T.22S, R.38E

Lea County, New Mexico

Dear Mr. Ramey:

Your administrative approval is requested to permit down-hole commingling of marginal Blinebry and Paddock production, per Rule 303-C-2, on the above captioned well.

There is no evidence of fluid incompatability and we do not expect any waste or resevoir damage due to down-hole commingling in the well bore. Ownership in the two pools is common, and correlative rights will not be violated. Down-hole commingling will allow the recovery of additional hydrocarbons from this well. Both zones will have to be pumped.

The subject well was drilled and completed in the Blinebry zone in May, 1967 and in the Paddock zone in December, 1971. Attached is a Well History Report of the Blinebry and Paddock zones.

Attached please find pertinent data regarding this application as outlined in Rule 303-C-2.

Yours very truly,

HANSON OIL CORPORATION

A. J. Deans

Vice-President, Drilling & Production

AJD/1rs

Attachments