



HANSON OPERATING COMPANY, INC.

P.O. BOX 1515

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PHONE AC 505-622-7330

May 21, 1985

Mr. David Catanach
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: Max Gutman #9
Unit K, Sec.19,T.22S,R.38E
Lea County, New Mexico

Dear Mr. Catanach:

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

There is no evidence of fluid incompatibility and we do not expect any waste or reservoir 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 are unable to flow and will have to be artificially lifted by Rod and Beam Pump.

The subject well was drilled and completed in the Granite Wash zone and abandoned in February, 1985. It was then completed in the Drinkard and marginal production was found. The Drinkard was TA and the Blinebry formation was tested. Attached is a Well History Report and test of the above mentioned well.

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

Yours very truly,

HANSON OPERATING COMPANY, INC.

David Sweeney
Drilling & Production Superintendent

DS/sh

attch.