

COLLINS & WARE, INC.

508 WEST WALL AVENUE, SUITE 1200

MIDLAND, TEXAS 79701-5076

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May 13, 1997

State of New Mexico
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

Re: Downhole Commingling
A. B. Baker #6
30-025-33794
Unit I, Sec. 10, T22S, R37E
Lea County, New Mexico

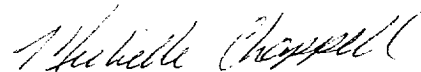
Gentlemen:

Collins & Ware, Inc. respectfully requests an exception to the Rule 303 process requiring a permit to downhole commingle production and separate tracking of production from Wantz Granite Wash pool and the Wantz Abo pool in the recently completed A. B. Baker No. 6. Testing of individual zones has shown that the Wantz Granite Wash is non-productive in this wellbore, but perforations are still open along with the productive Abo perforations.

The A. B. Baker No. 6 was first perforated in the Wantz Granite Wash (62730) pool from 7052' - 7073' with 19 holes. The zone was tested after an acid stimulation and did not recover any fluid after swabbing back the acid load and had only a light blow of gas for about 5 minutes after each swab run. A retrievable bridge plug was then set above the Wantz Granite Wash perforations in order to attempt a completion in the Wantz Abo pool. The A. B. Baker No. 6 was then perforated in the Wantz ABO (62700) from 6900' - 6920' with 40 perforations and then from 6482' - 7034' with 80 perforations. After a failed fracture stimulation treatment in the Abo and subsequent acid stimulation and testing, the retrievable bridge plug was pulled. The well currently produces with both Abo and Granite Wash perforations open, but initial testing indicated the Granite Wash to be non-productive, and all production obtained from this wellbore is in fact produced from the Abo.

Collins and Ware would like to have this well certified and tracked on OCD records as producing only from the Abo. Wantz Granite Wash perforations from 7052' - 7073' are shown on our completion report since they are open, but we would like to file the C-104 for the Wantz ABO only and would like to show production on the C-115 in the Wantz ABO only. If the Granite Wash was productive, the Rule 303 exception process would be in order. Please let us know how this situation needs to be handled.

Sincerely,



Michelle Chappell
Production Clerk