

DAMSON OIL CORPORATION

P. O. BOX 1845

LAKE CHARLES, LOUISIANA 70601

SUITE 401, MAGNOLIA LIFE BUILDING
1011 LAKESHORE DRIVE
(318) 436-9575

June 24, 1975

366 MADISON AVENUE
NEW YORK, NEW YORK 10017
(212) MU 7-5522

Supervisor, District No. 1
New Mexico Oil Conservation Commission
Box 1980
Hobbs, New Mexico 88240

Dear Sir;

As operators with controlling working interest of Saltmount #2 well, in Unit 0 of Section 21, T-23-S, R-37-E, we are requesting approval to commingle the Imperial Tubb Drinkard which is perforated from 6153' - 6243' and the Teague Blinbry which is perforated from 5356' - 5894' as stated in Statewide Order No. R-3458.

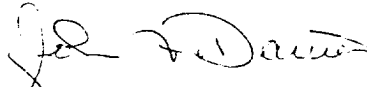
The Lower Zone has been off production since March, 1970. In a three day test of this zone, by means of swabbing, it has produced 25 Bbls. of crude oil a day with a gravity of 38.7 and 5 Bbls. of water. This zone has an estimated bottom hole pressure of 150 PSI and will not flow.

The upper zone is producing 3 Bbls. of crude oil a day with a gravity of 37.2 and no water with the help of a pumping unit. It also has an estimated bottom hole pressure of 150 PSI.

By commingling these two zones it will not devalue the oil and it will increase our production. We have notified Gulf oil Company and Imperial American of our intentions to commingle these zones.

If any further information is needed, please contact us.

Very truly yours,


John F. Davies
Production Foreman

JFD/nes