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

GARREY CARRUTHERS

May 22, 1987

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

ARCO Oil & Gas Company P.O. Box 1610 Midland, TX 79702

Attn: Ken W. Gosnell & Elizabeth Cashew

Re: State "Y" #7-A 25-25-37 State "Y" #3-B 25-25-37

Gentlemen:

We have received downhole commingled tests on Form C-116 for the above-referenced wells. However, our records do not indicate that a subsequent report of the work done to convert the wells to downhole commingled status has been filed. Please file a subsequent report on Form C-103.

Also, DHC-633 for State Y #7 indicates the percentage allocation for each zone is to be established by the District Supervisor. Please make a written request to establish the percentage for each zone.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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