C. D. Woolworth #7 Unit J, Section 30-T24S-R37E Lea County, New Mexico

Approval is requested for an exception to Rule 303-C to permit down-hole commingling of the Jalmat Yates Seven Rivers and Langlie Mattix Seven Rivers Queen production in the subject well.

The C. D. Woolworth #7 was approved for dual completion in the Jalmat and Langlie Mattix on Form C-107 dated 10-4-84. Permission to commingle the Jalmat with the Langlie Mattix at the surface was approved on Commingling Order PC-683 dated 12-10-84.

Both the Jalmat and Langlie Mattix are currently being pumped. The Langlie Mattix is being produced into the tank battery along with Langlie Mattix production from the C. D. Woolworth #4 and #5 and Jalmat production from the C. D. Woolworth #6. The Jalmat production from the C. D. Woolworth #7 is currently being produced into a portable tank while it is being tested.

The fluids show no evidence of incompatibility; therefore, down-hole commingling is not expected to result in reservoir damage. Ownership in the two pools is common and correlative rights will not be violated.

Should secondary recovery operations become practical in the future, the two zones could be separated at such time without damaging either reservoir.

Offset operators are being notified of the intent to down-hole commingle subject well by copy of this application.