OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

July 2, 1997

G. Je

Burlington Resources Oil & Gas Company P.O. Box 4289 Farmington, New Mexico 87499-4289

Attention: Ms. Peggy Bradfield

Re: Downhole Commingling Application

Allison Unit Well No. 34

Section 11, T-32N, R-7W

DECEIVED IN 1016 - 7 1897

OIL COM. DIV. DIST. 3

Dear Ms. Bradfield:

Reference is made to your recent application to downhole commingle the Blanco-Mesaverde and Basin-Dakota Gas Pools within the subject well. Please be advised that Division Rule No. 303 does not provide for administrative approval of downhole commingling in the event both zones are non-marginal.

Please advise the Division if you wish to pursue the application at a hearing before a Division examiner.

If I can be of further assistance, please advise.

Sincerely,

David Catanach Engineer

xc:

William J. LeMay OCD-Aztec