

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700

Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713

Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245

Fax (505) 827-5766

**RECEIVED**

NOV 12 2002

OIL CONSERVATION**New Mexico State Land Office****Commissioner of Public Lands****Ray Powell, M.S., D.V.M.****COMMERCIAL RESOURCES**

Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744

Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

November 7, 2002

Caulkins Oil Company

P.O. Box 340

Bloomfield, New Mexico 87413

Attn: Mr. Robert L. Verquer

Re: Downhole Commingling Application
 State "A" Well No. 62M
 Unit Letter D, Section 2-26N-06W
 Basin Dakota, Mesaverde and South Blanco Tocito Pools
 Rio Arriba County, New Mexico

Dear Mr. Verquer:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on October 31, 2002. Your application requests our approval to downhole commingle the Basin Dakota, Mesaverde and South Blanco Tocito production within the wellbore of the State "A" Well No. 62M located in Unit Letter D, Section 2-26N-06W, Rio Arriba County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil %</u>	<u>Gas %</u>
Basin Dakota	24 %	11 %
Mesaverde	5 %	3 %
South Blanco Tocito	71 %	86 %
	-----	-----
	100 %	100 %

Since it appears that the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling the production from the above-mentioned well is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

"WE WORK FOR EDUCATION"

310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148

Caulkins Oil Company
November 7, 2002
Page 2

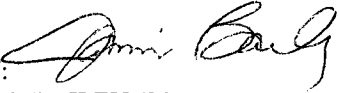
Your filing fee in the amount of \$30.00 has been received.

Also, please submit a copy of the Oil Conservation Division's Order approving this application.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach