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

October 31, 2000

Marathon Oil Company P.O. Box 2490 Hobbs, New Mexico 88240

Attn: Mr. Andrew J. Schwandt

Re: Application for Downhole Commingling (Warn State A/C 2 Well No. 26) Lot 5, Section 6-18S-35E Vacuum-Wolfcamp and Vacuum Upper-Penn Pools Lea County, New Mexico

Dear Mr. Schwandt:

The New Mexico Oil Conservation Division has advised this office that Marathon Oil Company has applied to downhole commingle the production from the Warn State A/C 2 Well No. 26. Burlington Resources Oil & Gas Company proposes to commingle the production from the Vacuum-Wolfcamp and Vacuum Upper-Penn Pools.

Pursuant to State Land Office Rule No. 1.053, 1.054 and 1.055, please submit an application to this office for our approval together with the data recommended on the attached commingling pre-application form. The filing fee for a commingling application is \$30.00.

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, Ben Stone



DHC-2083

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

"WE WORK FOR EDUCATION" 310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148