



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

October 10, 2000

Conoco Inc.
P.O. Box 2197
DU 3066
Houston, Texas 77252-2197

Attention: Ms. Deborah Marberry

Re: Division Orders No. DHC-2720 and DHC-2836

Dear Ms. Marberry:

I have been advised by our Aztec District Office that there are currently two downhole commingling orders in effect for the San Juan 28-7 Unit Well No. 58A (API No. 30-039-23983) located in Unit D, Section 29, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. The original commingling order for this well, DHC-2720, which was issued April 24, 2000, authorized the commingling of the Mesaverde and Pictured Cliffs formation in the well. Subsequent Order No. DHC-2836, which was issued on September 26, 2000, authorized the commingling of the Mesaverde, Pictured Cliffs and Chacra formations in the well. It appears that Order No. DHC-2836 was issued in error since our procedure is to amend existing orders when changes are necessary.

In order to avoid any confusion, Division Order No. DHC-2836 is hereby **cancelled**. Division Order No. DHC-2720 will be amended to reflect the addition of the Chacra formation.

It would be beneficial to the Division if Conoco, in its future applications, advises us if there is an existing downhole commingling order for the well.

Sincerely,

David Catanach
Engineer

Xc: OCD-Aztec
Bureau of Land Management-Farmington
File-DHC-2720, DHC-2836