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

September 5, 2000

Aspen Oil Inc. P.O. Box 2674 Hobbs, New Mexico 88241

Attn: Mr. Erick W. Nelson

Re: Application for Downhole Commingling State "BX" Com Well No. 1 Unit Letter O, Section 35-17S-28E Empire-Atoka and South Empire-Morrow Pools Eddy County, New Mexico

Dear Mr. Nelson:

The New Mexico Oil Conservation Division has advised this office that Aspen Oil Inc. has applied to downhole commingle the production from within the wellbore of the State "BX" Com Well No. 1. Aspen Oil Inc. proposes to commingle the production from the Empire-Atoka and South Empire-Morrow 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, Mark Ashley

DHC-2792

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



New Mexico State Land Office Commissioner of Public Lands Ray Powell, M.S., D.V.M.

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