

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



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

DHC-2863

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

April 19, 2001

Bass Enterprises Production Company

P.O. Box 2760

Midland, Texas 79702-2760

Attn: Ms. Tami Wilbur

Re: Downhole Commingling Application

James Ranch Unit Well No. 27

Unit Letter I, Section 36-22S-30E

Quahada Ridge (Delaware) SE, Los Medanos (Bone Spring) South, Los Medanos (Wolfcamp) South Pools

Eddy County, New Mexico

Dear Ms. Wilbur:

Your application to downhole commingle the Quahada Ridge (Delaware) SE, Los Medanos (Bone Spring) South, and Los Medanos (Wolfcamp) South production from within the wellbore of the above-captioned well was received on March 29, 2001.

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>
Quahada Ridge (Delaware) SE	48%	73%
Los Medanos (Bone Spring) South	26%	13.5%
Los Medanos (Wolfcamp) South	26%	13.5%
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	100%	100%

Since it appears that all 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 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 and the Bureau of Land Management.

"WE WORK FOR EDUCATION"

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

Bass Enterprises Production Company
April 19, 2001
Page 2


Your \$30.00 dollar filing fee has been received.

Also, please submit a copy of the Oil Conservation Division and the Bureau of Land Management's approvals.

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~~

BLM