



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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January 7, 2003

Marbob Energy Corporation
P.O. Box 227
Artesia, New Mexico 88211-0227

Attn: Mr. Brian Collins

Re: Downhole Commingling Application
"D" State Well No. 7
Unit Letter C, Section 35-17S-28E
Artesia Queen-Grayburg-San Andres and Artesia Glorieta-Yeso Pools
Eddy County, New Mexico

RECEIVED

JAN 10 2003

OIL CONSERVATION
DIVISION

Dear Mr. Collins:

Your application of July 19, 2001, to downhole commingle the production from within the wellbore of the above-captioned well has been received. Your application requests our approval to downhole commingle the Artesia Queen-Grayburg-San Andres and Artesia Glorieta-Yeso production within the wellbore of the "D" State Well No. 7 located in Section 35-17S-28E, Eddy 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>
Artesia Queen-Grayburg-San Andres	26%	40%
Artesia Glorieta-Yeso	74%	60%
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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 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.

Marbob Energy Corporation
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Please submit your filing fee in the amount of \$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,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


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

PL/JB/cpm

Enclosure

xc: Reader File

ⓈOCD--Attention: David Catanach