

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

DHC-3037
COMMERCIAL RESOURCES
Phone (505) 827-5724
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Phone (505) 827-5744
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ROYALTY MANAGEMENT
Phone (505) 827-5772
Fax (505) 827-4739

SURFACE RESOURCES
Phone (505) 827-5793
Fax (505) 827-5711

September 10, 2002

Mewbourne Oil Company
P.O. Box 7698
Tyler, Texas 75711

Attn: Ms. Janet Burns

Re: Downhole Commingling Application
Carlsbad 22 State Com Well No. 1
Unit Letter C, Section 22-21S-26E
Avalon; Strawn (Gas) and Avalon; Morrow (Gas) Pools
Eddy County, New Mexico

Dear Ms. Burns:

This office is in receipt of your application of August 22, 2002, requesting our approval to downhole commingle the production from the above subject well from the Avalon; Strawn (Gas) and Avalon; Morrow (Gas) Pools in 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>
Avalon; Strawn (Gas)	100 %	75 %
Avalon; Morrow (Gas)	0 %	25 %
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	100	100

Since it appears that 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.

Your filing fee in the amount of \$30.00 has been received.

"WE WORK FOR EDUCATION"

Mewbourne Oil Company
September 10, 2002
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Also, please submit a copy of the Oil Conservation Division's approval order.

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--Santa Fe--Attention: David Catanach