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

November 8, 2002

Conoco Inc. 10 Desta Drive Suite 100W Midland, Texas 79705-4500

Ms. Kay Maddox Attn:

Re: Downhole Commingling Application Amended Application State F-1 Well No. 15 Fox (ω) Unit Letter O, Section 1-21S-36E Hardy Tubb Drinkard and Hardy Blinebry Pools

Lea County, New Mexico

Dear Ms. Maddox:

Your request to amend the allocation percentages previously submitted on October 8, 2002 has been received. Your application of October 21, 2002 requests the final adjusted percentages for downhole commingling of the Hardy Tubb Drinkard and Hardy Blinebry production within the wellbore of the above-captioned well is as follows:

ALLOCATION POOL Oil % Gas % 59 % Hardy Tubb Drinkard 41 % Hardy Blinebry _____ 100 % 100 %

Since it appears that 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.

DENT New Mexico State Land Office Commissioner of Public Lands'

Ray Powell, M.S., D.V.M.

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

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

Conoco Inc. November 8, 2002 Page 2

Please submit a copy of the Oil Conservation Division's Order approving this application.

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

