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PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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March 26, 2008

Chevron Midcontinent, L.P.
P. O. Box 36366
Houston, TX 77236

Attention: Mr. Arthur R. Boehm, Jr.

Re: Rincon Unit
Commerciality Determinations
Mesaverde Formation
Rio Arriba County, New Mexico

Dear Mr. Boehm:

We are in receipt of your letters of November 29, 2007 and January 23, 2008 together with the commercial determination data for 22 Rincon Unit wells recently completed in the Mesaverde formation.

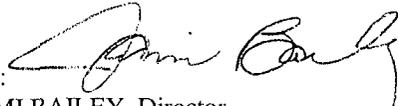
Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management's determination letters of January 11, 2008 and February 13, 2008 that the Rincon Unit Well Nos. 128M, 130M, 131E, 134E, 136P, 137E, 138E, 139E, 166E, 169M, 176E, 178, 183E, 185, 186M, 193M, 231E and 303 are capable of producing unitized substances in paying quantities from the Mesaverde formation. Please submit the appropriate revision to include these wells in the Mesaverde participating area.

The Rincon Unit Well Nos. 178E, 185E, 150E, and 187E are non-commercial in the Mesaverde formation and should be produced on a lease basis.

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/pm

pc: Reader File
BLM-Farmington Attn: Mr. Wayne Townsend
TRD-Attn Mr. Valdean Severson
OCD-Attn: Mr. Ed Martin

-State Land Office Beneficiaries -

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