

Case No. 12141



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands

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(505)-827-5715

PLANNING
(505)-827-5752

March 1, 1999

Falcon Creek Resources
621 17th Street, Suite 1800
Denver, Colorado 80293-0621

Attention: Ms. Jaylene D. Roope

Re: Commingling Application
Conoco State Lease and BF State Lease Battery
Section 16-20S-33E
Lea County, New Mexico

Dear Ms. Roope:

We are in receipt of your letter of January 22, 1999 requesting our approval to surface commingle the Conoco State and BF State Lease production at the BF Tank Battery located in the SW/4NE/4 of Section 16-20S-33E. It is our understanding that all production is from the Teas, Yates-Seven Rivers, West pool.

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 is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

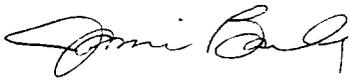
Please submit a \$30.00 filing fee.

Please contact Ms. Debbie Padilla at 505/827-5729 regarding a possible right-of-way through the SW/4NE/4 of Section 16-20S-33E.

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.pm
pc: Reader File,
OCD-Attention: David Catanach, Ben Stone,
Debbie Padilla

"WE WORK FOR EDUCATION"