



United States Department of the Interior



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BUREAU OF LAND MANAGEMENT
Carlsbad Resource Area Headquarters
P.O. Box 1778
Carlsbad, New Mexico 88221-1778

3162 (067)
NM-24160

JUL 09 1991

Siete Oil & Gas Corporation

Attn.: Robert Lee
P. O. Box 2523
Roswell, NM 88202

DAVC-809

RE: NM-24160

Osage Federal #17

NE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 34, T19S, R29E; NMPM

Gentlemen:

Your request to downhole commingle production from the Parkway Delaware and Parkway Bone Spring oil pools in the wellbore of your Osage Federal #17 on the above referenced lease is hereby approved.

As stated in your application, the ownership in this lease is common for both productive horizons. Allocation back to the contributing sources will be made according to the formula referenced in your request. Further, your request is made in the interest of conservation and will not result in reservoir damage nor reduced royalty.

This approval is subject to concurrence by the New Mexico Oil Conservation Division.

Please contact Shannon J. Shaw at (505) 887-6544 or at the letterhead address if any further information is required.

Sincerely,

/s/ David Stout

FOR Richard L. Manus
Area Manager

cc: NM (067; E. Inman, S. J. Shaw)
NM (065, B. Lopez)
NMOCD - Santa Fe, D. R. Catanach
P. O. Box 2088
Santa Fe, NM 87504