

DHC-2503



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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Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5713

PLANNING
(505)-827-5752

October 21, 1999

Conoco Inc.
P.O. Box 2197
DU 3066
Houston, Texas 77252-2197

Attn: Ms. Deborah Moore

Re: Downhole Commingling Application
San Juan 28-7 Unit Well No. 1
Unit Letter A, Section 33-28N-07W
Blanco Pictured Cliffs South and Blanco Mesaverde Pools
Rio Arriba County, New Mexico

Dear Ms. Moore:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on October 1, 1999. Your application requests our approval to downhole commingle the Blanco Pictured Cliffs South and Blanco Mesaverde production within the wellbore of the San Juan 28-7 Unit Well No. 1, Unit Letter A, located in Section 33-28N-07W, Rio Arriba 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>
Blanco Pictured Cliffs South	0%	64%
Blanco Mesaverde	100%	36%
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	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 and the Bureau of Land Management.

Please submit your filing fee in the amount of \$30.00.

Also, please submit a copy of the Oil Conservation Division's Order approving this application.


"WE WORK FOR EDUCATION"

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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, Ben Stone~~

BLM