

COMMISSIONER'S OFFICE

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COMMERCIAL RESOURCES

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SURFACE RESOURCES

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**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

April 13, 2000

Phillips Petroleum Company
5525 Hwy 64
Farmington, New Mexico 87401

Attn: Mr. Mark W. Stodola

Re: Downhole Commingling Application
San Juan 29-6 Unit Well No. 8B
Unit Letter D, Section 1-29N-06W
Basin Dakota and Blanco Mesaverde Pools
Rio Arriba County, New Mexico

Dear Mr. Stodola:

Your application to downhole commingle the Basin Dakota and Blanco Mesaverde production from within the wellbore of the above-captioned well was received on April 10, 2000.

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 for downhole commingling 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 \$30.00 dollar filing fee.

Also, please submit the appropriate approvals for the New Mexico Oil Conservation Division and the Bureau of Land Management.

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: *Anthony H. Neal*
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

For

RP/JB/cpm
Enclosure
xc: Reader File

~~OCD--Attention: David Catanach, Ben Stone~~

BLM