

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700

Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713

Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245

Fax (505) 827-5766



OIL CONSERVATION DIV.

06 JUL 3 2000  
New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.

DHC-2761

COMMERCIAL RESOURCES

Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744

Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

June 28, 2000

BTA Oil Producers  
104 South Pecos  
Midland, Texas 79701

Attn: Ms. Pam Inskeep

Re: Downhole Commingling Application  
Gem, 8705 JV-P, Well No. 4  
Unit Letter N, Section 2-20S-33E  
Teas, Delaware and Teas, Bone Springs Pool  
Lea County, New Mexico

This office is in receipt of your application of May 26, 2000, requesting our approval to downhole commingle the production from the above subject well from the Teas, Delaware and Teas, Bone Springs Pools in Lea 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>
Teas, Delaware	45 %	12 %
Teas, Bone Springs	55 %	88 %
	-----	-----
	100	100

Since it appears that 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.

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

Also, please submit a copy of the Oil Conservation Division's approval order.

BTA Oil Producers  
June 28, 2000  
Page 2

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--Santa Fe--Attention: David Catanach, Ben Stone