

COMMISSIONER'S OFFICE
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January 25, 2002



D HC-2981

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

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

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499

Attn: Mr. Bobby Goodwin

Re: Downhole Commingling Application
Mims State Com Well No. 1
Unit Letter M, Section 16-29N-09W
Blanco Mesaverde and Basin Fruitland Coal Pools
San Juan County, New Mexico

Dear Mr. Goodwin:

Your application to downhole commingle the Blanco Mesaverde and Basin Fruitland Coal production from within the wellbore of the above-captioned well was received on January 22, 2002.

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.

Our approval is contingent on Burlington Resources Oil & Gas Company submitting a Communitization Agreement for the W/2 of Section 16-29N-09W for the Fruitland Coal Formation.

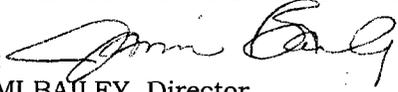
Please submit your \$30.00 dollar filing fee.

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

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