

DHC-3028



**COMMISSIONER'S OFFICE**

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**PUBLIC AFFAIRS**

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**COMMERCIAL RESOURCES**

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**MINERAL RESOURCES**

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**ROYALTY MANAGEMENT**

Phone (505) 827-5772  
Fax (505) 827-4739

**SURFACE RESOURCES**

Phone (505) 827-5793  
Fax (505) 827-5711

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

August 6, 2002

V-F Petroleum Inc.  
P.O. Box 1889  
Midland, Texas 79702

Attn: Mr. Larry Brazile

Re: Downhole Commingling Application  
Walker "33" State Com Well No. 1  
Unit Letter K, Section 33-18S-28E  
Wildcat-Bone Springs, Undesignated Travis-Upper Penn and North Turkey Track-Morrow Pools  
Eddy County, New Mexico

Dear Mr. Brazile:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on August 5, 2002. Your application requests our approval to downhole commingle the Wildcat-Bone Springs, Undesignated Travis-Upper Penn and North Turkey Track-Morrow Dakota production within the wellbore of the Walker "33" State Com Well No. 1 located in Unit Letter K, Section 33-18S-28E, Eddy 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>
Wildcat-Bone Springs	0 %	0 %
Undesignated Travis-Upper Penn	100 %	90 %
North Turkey Track-Morrow	0 %	10 %
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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.

*"WE WORK FOR EDUCATION"*

310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148

V-F Petroleum Inc.  
August 6, 2002  
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Your filing fee in the amount of \$30.00 has been received.

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