



PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
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www.nmstatelands.org

February 25, 2003

Marbob Energy Corporation  
P.O. Box 227  
Artesia, New Mexico 88211-0227

Attn: Mr. Brian Collins

Re: Downhole Commingling Application  
TH State Well No. 1  
Unit Letter F, Section 34-17S-28E  
Artesia Queen-GB-SA and Artesia Glorieta-Yeso Pools  
Eddy County, New Mexico

Dear Mr. Collins:

This office is in receipt of your application of February 13, 2003, requesting our approval to downhole commingle the production from the above subject well from the Artesia Queen-GB-SA and Artesia Glorieta Yeso Pools in 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>
Artesia Queen-GB-SA	85 %	69 %
Artesia Glorieta-Yeso	15 %	31 %
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	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.

Your filing fee in the amount of \$30.00 has been received.

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

RECEIVED

FEB 27 2003

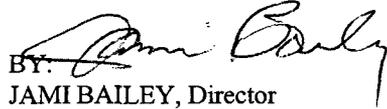
OIL CONSERVATION  
DIVISION

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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,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

~~OCD--Santa Fe--Attention:--David Catanach~~