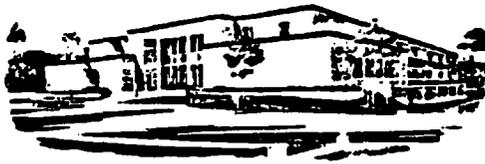


State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

January 15, 1991

Mr. L. M. Sanders, Supervisor
Regulations and Proration
Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Re: Santa Fe Lease
Lea County, New Mexico
Surface Commingling

Dear Mr. Sanders:

In reference to your application dated January 7, 1991, wherein you request to surface commingle the subject lease. Please refer to State Land Office Rules 1.053, 1.054, and 1.055 (attached and checked in red) for the requirements necessary for the Commissioner of Public Lands to grant approval for commingling on New Mexico State Lands.

If you have any questions please contact Clyde Langdale at (505) 827-5791.

Sincerely,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

Floyd O. Prando by [Signature]
By:
Floyd O. Prando, Director
Oil, Gas & Minerals Division

JB/FOP/CL/dm