



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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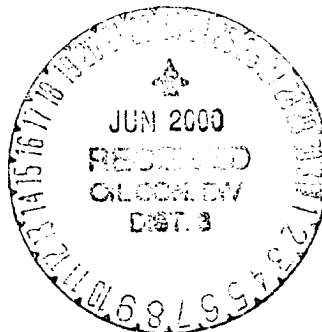
June 21, 2000

Lori Wrotenberg
Director
Oil Conservation Division

Mallon Oil Company
P.O. Box 2797
Durango, Colorado 81302

Attention: Mr. John Zellitti

Re: Form C-107-A
Downhole Commingling Applications



Dear Mr. Zellitti:

The Division has reviewed the Form C-107-A, Application for Downhole Commingling, for the following described seven wells operated by Mallon Oil Company. Upon this review, the Division has found that these wells do not qualify for administrative approval to downhole commingle:

WELL NAME & NUMBER

WELL LOCATION

Jicarilla 458-6 No. 6
Jicarilla 459-20 No. 8
Jicarilla 30-03-28 No. 3
Jicarilla 458-6 No. 3
Jicarilla 458-6 No. 4
Jicarilla 459-20 No. 12
Jicarilla 464-29 No. 9

Unit J, Section 6, T-30N, R-3W ✓
Unit K, Section 20, T-30N, R-3W ✓
Unit J, Section 28, T-30N, R-3W ✓
Unit G, Section 6, T-30N, R-3W ✓
Unit F, Section 6, T-30N, R-3W ✓
Unit O, Section 20, T-30N, R-3W ✓
Unit G, Section 29, T-30N, R-3W ✓

Enclosed please find the above-described applications. Please be advised that should Mallon Oil Company wish to pursue approval of these applications, they may be considered for approval after notice and hearing before a Division examiner.

Sincerely,

David Catanach
Engineer

Xc: OCD-Aztec ✓
BLM-Farmington