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OIL CONSERVATION DIVISION COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766

Fax (505) 827-5766 www.nmstatelands.org



State of New Mexico Commissioner of Public Lands

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

PATRICK H. LYONS COMMISSIONER

May 14, 2003

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

Attn: Mr. L. Tom Loveland

Re: Downhole Commingling Application Johnston A Com G Well No. 18 Unit Letter K, Section 36-26N-06W Otero Chacra, Basin Dakota and Blanco Mesaverde Pools Rio Arriba County, New Mexico

Dear Mr. Loveland:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on April 24, 2003. Your application requests our approval to downhole commingle the Otero Chacra, Basin Dakota and Blanco Mesaverde production within the wellbore of the Johnston A Com G Well No. 18 located in Unit Letter K, Section 36-26N-06W, Rio Arriba County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

		 100%	
Basin Dakota	80%	55%	
Blanco Mesaverde	20%	23%	
Otero Chacra	0%	22%	
	<u>Oil%</u>	<u>Gas%</u>	
POOL	ALLOCAT	ALLOCATION	

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.

"WORKING FOR EDUCATION"

Burlington Resources Oil and Gas Company May 14, 2003 Page 2

Please submit your filing fee in the amount of \$30.00.

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

ly BY:

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

PL/JB/cpm Enclosure xc: Reader File

OCD--Attention: David Catanach