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DHC-3153

PATRICK H. LYONS  
COMMISSIONER

OIL CONSERVATION  
DIVISION *State of New Mexico*  
*Commissioner of Public Lands*

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COMMISSIONER'S OFFICE

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June 11, 2003

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210

Attn: Mr. Sam Brandon

Re: Downhole Commingling Application  
Calfrope State Unit Well No. 1  
Unit Letter L, Section 28-15S-34E  
Wildcat-Austin Gas and Undesignated North Eidson-Morrow (Gas) Pools  
Lea County, New Mexico

Dear Mr. Brandon:

This office is in receipt of your application of May 14, 2003, requesting our approval to downhole commingle the production from the above subject well from the Wildcat-Austin Gas and Undesignated North Eidson-Morrow (Gas) Pools in Lea 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-Austin Gas	0 %	16 %
Undesignated North Eidson-Morrow (Gas)	0 %	84 %
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	0 %	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.

Yates Petroleum Corporation  
June 11, 2003  
Page 2

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-David Catanach~~