DHC-1022



State of New Mexico Commissioner of Public Lands 310 OLD SANTA FE TRAIL P.O. BOX 1148

RAY POWELL, M.S., D.V.M. COMMISSIONER

SANTA FE. NEW MEXICO 87504-1148

(505) 827-5760 FAX (505) 827-5766

November 21, 1994

(Mobil Exploration & Producing U.S. Inc.) P. O. Box 633 Midland, Texas 79702-0633

Attn: Ms. Kay Pollock-Lyon

Re: Down-Hole Commingling Exception North Vacuum Abo Unit #165/ /Bridges_State_#165_ North Vacuum Abo & Vacuum Middle Penn Fields Lea County, New Mexico

Dear Ms. Lyon:

This office is in receipt of your application letter of November 16, 1994, wherein you have requested our approval to downhole commingle the production from the above subject well.

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

POOL	ALLOCATION	
	OIL	GAS
Vacuum-Abo	51%	33%
Vacuum-Middle Penn	49%	67%

Since ownership is common throughout, and there will be no loss of revenue to the State of New Mexico's beneficiaries from your proposed operation, the Commissioner of Public Lands, this date approves your request. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval should this operation prove to be unprofitable to the State at any time in the future. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Mobil Exploration & Producing U.S. Inc. November 21, 1994 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,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

BY: Denye - Mw

FLOYD O. PRANDO, Director Oil/Gas and Minerals Division (505) 827-5744 RP/FOP/pm

cc: Reader File OCD-Santa Fe Attn: Mr. David Catanach, Ben Stone