

COMMERCIAL RESOURCES (505)-827-5724

SURFACE RESOURCES (505)-827-5795

MINERAL RESOURCES (505)-827-5744

> ROYALTY (505)-827-5772

> > Re:

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M. 310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148 Phone (505)-827-5760, Fax (505)-827-5766 PUBLIC AFFAIRS (505)-827-5765

ADMINISTRATIVE MOMT. (505)-827-5700

> LEGAL (505)-827-5715

PLANNING (505)-827-5752

January 29, 1997

Burlington Resources Oil & Gas Company
P.O. Box 51810
Midland, Texas 79710-1810

Attn: Ms. Donna Williams

Downhole Commingling Application

Mule Deer '36' State Well No. 7
SE/4SE/4, Section 36-22S-32E

West Red Tank Delaware and Red Tank Bone Spring Pools

Lea County, New Mexico

Dear Ms. Williams:

This office is in receipt of your application of January 17, 1997, requesting our approval to downhole commingle the production from the above subject well from the West Red Tank Delaware and Red Tank Bone Spring Pools in Lea County, New Mexico.

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

<u>POOL</u>		ALLOCATION
West Red Tank Delaware	Oil % 50 %	<u>Gas %</u> 30 %
Red Tank Bone Spring	50 %	70 %
	100	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.

Burlington Resources Oil & Gas Company January 29, 1997 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,

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

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

RP/JB/cpm Enclosure

cc: Reader File

OCD-Santa Fe-Attention: David Catanach, Ben Stone