

State of New Mexico Commissioner of Public Lands

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> > March 4, 1997

Burlington Resources P. O. Box 4289 Farmington, New Mexico 87499-4289

Attn: Ms. Peggy Bradfield

Re: Application for Downhole Commingling San Juan 27-5 Unit No. 111M Unit Letter I, Section 02-27N-05W Rio Arriba County, New Mexico

Dear Ms. Bradfield:

Your application to downhole commingle the production from within the wellbore of the abovecaptioned well was received on February 25, 1997. Your application requests our approval to downhole commingle the Blanco Mesaverde and Basin Dakota production within the wellbore of the San Juan 27-5 Unit Well No. 111M, located in Unit Letter I, Section 02-27N-05W. We understand that you will suppy us with the allocation percentages upon completion of the well.

Since it appears that all the New Mexico Oil Conservation Division 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 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 and the Bureau of Land Management.

Please submit your \$30.00 dollar filing fee.

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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:

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

RP/JB/cpm

cc: Reader File OCD--Attention: David Catanach, Ben Stone BLM