

COMMERCIAL RESOURCES (505)-827-5724

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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 APPAIRS (505)-827-5765

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> LEGAL (505)-827-5713

PLANNING (505)-827-5752

June 9, 1998

Phillips Petroleum Company 5525 HWY 64 Farmington, New Mexico 87401

Attn:

Mr. Mark W. Stodola

Re:

Application for Downhole Commingling San Juan 29-5 Unit Well No. 53M Blanco Mesaverde and Basin Dakota Pools Unit Letter O, Section 32-29N-05W Rio Arriba County, New Mexico

Dear Mr. Stodola:

We are in receipt of your May 29, 1998, downhole commingling application for the above-captioned well. Your application requests our approval to downhole commingle the Blanco Mesaverde and Basin Dakota production from within the wellbore of the San Juan 29-5 Unit Well No. 53M, located in Unit Letter O, Section 32-29N-05W.

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 contingent upon like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Please submit a \$30.00 filing fee.

Also, please submit a copy of the Oil Conservation Division order approving this application.

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: FOR Conthony 7/ Mar C

Oil, Gas and Minerals Division

(505) 827-5744 RP/JB/cpm

pc: Reader File

Enclosure

OCD

BLM