

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 AFFAIRS (505)-827-5765

ADMINISTRATIVE MOMT. (505)-827-5700

> LEQAL (505)-827-5713

PLANNING (505)-827-5752

November 30, 1998

Phillips Petroleum Company 5525 Highway 64, NBU 3004 Farmington, New Mexico 87401

Atten:

Mr. Mark Stodola

Re:

Application for Downhole Commingling San Juan 29-5 Unit Well No. 64M

Unit Letter E, Section 21-29N-05W Blanco Mesaverde and Basin Dakota Pools

Rio Arriba County, New Mexico

Dear Mr. Stodola:

Your application to downhole commingle the Blanco Mesaverde and Basin Dakota production from within the wellbore of the above-captioned well was received on November 2, 1998.

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.

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:

JAMI BAILEY, Director Oil/Gas and Minerals Division

(505) 827-5744 RP/JB/cpm Enclosure

xc: Reader File

OCD-Attention: David Catanach, Ben Stone