

COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
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9/27/99  
COMMERCIAL RESOURCES  
Phone (505) 827-5724  
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ADMINISTRATION  
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MINERAL RESOURCES  
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GENERAL COUNSEL  
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PUBLIC AFFAIRS  
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**New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.**

SURFACE RESOURCES  
Phone (505) 827-5793  
Fax (505) 827-5711

September 9, 1999

OXY USA Inc.  
P.O. Box 50250  
Midland, Texas 79710-0250

Attn: Mr. David Stewart

Re: Downhole Commingling Application  
OXY Sparkplug State Well No. 1  
Unit Letter N, Section 9-19S-29E  
Turkey Track Atoka and Turkey Track Morrow Pools  
Eddy County, New Mexico

Dear Mr. Stewart:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on September 3, 1999. Your application requests our approval to downhole commingle the Turkey Track Atoka and Turkey Track Morrow production within the wellbore of the OXY Sparkplug State Well No. 1, Unit Letter N, located in Section 9-19S-29E, Eddy County, New Mexico.

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

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil %</u>	<u>Gas %</u>
Turkey Track Atoka	0%	48%
Turkey Track Morrow	0%	52%
	0%	100%

Since it appears that the New Mexico Oil Conservation Division's 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 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.

Please submit your filing fee in the amount of \$30.00.

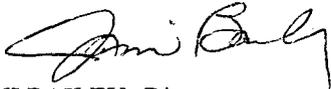
Also, please submit a copy of the Oil Conservation Division's Order approving this application.

OXY USA Inc.  
September 9, 1999  
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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  
Enclosure  
xc: Reader File

OCD--Attention: David Catanach, Ben Stone