



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
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ROYALTY
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**State of New Mexico
Commissioner of Public Lands**

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LEGAL
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PLANNING
(505)-827-5752

November 2, 1999

Conoco, Inc.
P.O. Box 2197
DU 3066
Houston, Texas 77252-2197

Attn: Ms. Deborah Moore

Re: Downhole Commingling Application
San Juan 28-7 Unit Well No. 180
Unit Letter O, Section 19-27N-07W
Blanco Pictured Cliffs South and Basin Fruitland Coal Pools
Rio Arriba County, New Mexico

Dear Ms. Moore:

Your application to downhole commingle the Blanco Pictured Cliffs South and Basin Fruitland Coal production from within the wellbore of the above-captioned well was received on November 1, 1999.

Since it appears that all 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 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 the appropriate approvals from the New Mexico Oil Conservation Division.

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: *Anthony H. Nail*
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm
Enclosure
xc: Reader File

~~OCD~~ Attention: ~~David Catanach~~, Ben Stone

BLM

"WE WORK FOR EDUCATION"