DHC-2516



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

COMMERCIAL RESOURCES (505)-827-5724

SURFACE RESOURCES (505)-827-5793

MINERAL RESOURCES (505)-827-5744

> ROYALTY (505)-827-5772

> > November 2, 1999

Phillips Petroleum Company 5525 Hwy. 64 Farmington, New Mexico 87401

Attn: Mr. Mark Stodola

Re: Downhole Commingling Application (San Juan 29-6 Unit Well No. 51A Unit Letter D, Section 31-29N-06W Blanco Mesaverde and South Blanco Pictured Cliffs Pools Rio Arriba County, New Mexico

Dear Mr. Stodola:

Your application to downhole commingle the South Blanco Pictured Cliffs and Blanco Mesaverde production from within the wellbore of the above-captioned well was received on October 27, 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 and the Bureau of Land Management.

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

Thong Z! nach BY: /

CM 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"

PUBLIC AFFAIRS (505)-827-5765

ADMINISTRATIVE MOMT. (505)-827-5700

> LEQAL (505)-827-5713

> PLANNING (505)-827-5752