

DHC-2865

COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
Fax (505) 827-5766

ADMINISTRATION  
Phone (505) 827-5700  
Fax (505) 827-5853

GENERAL COUNSEL  
Phone (505) 827-5713  
Fax (505) 827-4262

PUBLIC AFFAIRS  
Phone (505) 827-1245  
Fax (505) 827-5766



COMMERCIAL RESOURCES  
Phone (505) 827-5724  
Fax (505) 827-6157

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Phone (505) 827-5744  
Fax (505) 827-4739

ROYALTY MANAGEMENT  
Phone (505) 827-5772  
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Phone (505) 827-5793  
Fax (505) 827-5711

**New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.**

December 27, 2000

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210

Attn: Mr. James W. Pringle

Re: Application for Downhole Commingling  
Paulette PV State Well No. 6  
Unit Letter M, Section 16-05S-25E  
Pecos Slope Abo and Undesignated Penn Pools  
Chaves County, New Mexico

Dear Mr. Pringle:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on December 8, 2000. Your application requests our approval to downhole commingle the Pecos Slope Abo and Undesignated Penn production within the wellbore of the Paulette PV State Well No. 6 located in Unit Letter M, Section 16-05S-25E, Chaves 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>
Pecos Slope Abo	0%	76.5%
Undesignated Penn	0%	23.5%
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	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.

Your \$30.00 filing fee has been received.

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

Yates Petroleum Corporation  
December 27, 2000  
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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: *Anthony H. Neal*  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

*For*

RP/JB/cpm  
Enclosure  
xc: Reader File

~~OCD - Attention: David Catanach~~, Mark Ashley