

DHC - 2891

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



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

COMMERCIAL RESOURCES

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

MINERAL RESOURCES

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

ROYALTY MANAGEMENT

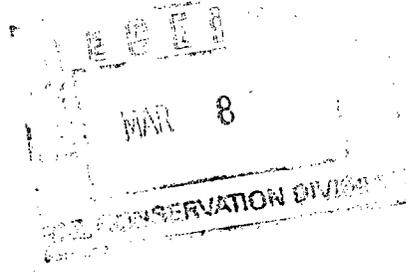
Phone (505) 827-5772  
Fax (505) 827-4739

SURFACE RESOURCES

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

March 7, 2001

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



Attn: Mr. James W. Pringle

Re: Application for Downhole Commingling  
Hook AWX State Well No. 1  
Unit Letter G, Section 8-10S-26E  
Foor Ranch Wolfcamp, Undesignated Mississippian and Foor Ranch Ordivician 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 February 22, 2001. Your application requests our approval to downhole commingle the Foor Ranch Wolfcamp, Undesignated Mississippian and Foor Ranch Ordivician production within the wellbore of the Hook AWX State Well No. 1 located in Unit Letter G, Section 8-10S-26E, 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>
Foor Ranch Wolfcamp	0%	4%
Undesignated Mississippian	0%	4%
Foor Ranch Ordivician	0%	92%
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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.

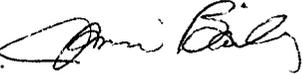
Your \$30.00 filing fee has been received.

Yates Petroleum Corporation  
March 7, 2001  
Page 2

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

QCD--Attention:--David-Catanach