COMMISSIONER'S OFFICE Prone (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 26, 2001

Pogo Producing Company P.O. Box 10340 Midland, Texas 79702-7340

Attn:

Mr. Ron D. Gasser

Re:

Downhole Commingling Application

Calmon 30 State Well No. 1

Unit Letter E, Section 30-22S-33E

Red Tank; Delaware, West and Red Tank; Bone Spring, East Pools

Lea County, New Mexico

This office is in receipt of your application of March 20, 2001, requesting our approval to downhole commingle the production from the above subject well from the Red Tank; Delaware, West and Red Tank; Bone Spring, East Pools in Lea County, New Mexico.

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

POOL	ALLOCATION	
Red Tank; Delaware West	Oil % 32 %	<u>Gas %</u> 37 %
Red Tank; Bone Spring	68 %	63 %
	100	100

Since it appears that 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 approval order.

Pogo Producing Company March 26, 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

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

RP/JB/cpm Enclosure

xc: Reader File

OCD-Santa Fe-Attention: David Catanach