



PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

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COMMISSIONER'S OFFICE

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www.nmstatelands.org

January 7, 2003

Marbob Energy Corporation  
P.O. Box 227  
Artesia, New Mexico 88211-0227

Attn: Mr. Brian Collins

Re: Downhole Commingling Application  
"D" State Well No. 1  
Unit Letter M, Section 25-17S-28E  
Artesia Queen-Grayburg-San Andres and Artesia Glorieta-Yeso Pools  
Eddy County, New Mexico

Dear Mr. Collins:

Your application to downhole commingle the production from within the wellbore of the above-captioned well has been received. Your application requests our approval to downhole commingle the Artesia Queen-Grayburg-San Andres and Artesia Glorieta-Yeso production within the wellbore of the "D" State Well No. 1 located in Unit Letter M, Section 25-17S-28E, Eddy 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>
Artesia Queen-Grayburg-San Andres	26%	40%
Artesia Glorieta-Yeso	74%	60%
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	100%	100%

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 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.

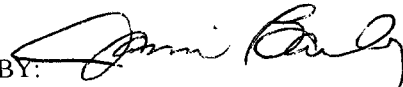
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Please submit your filing fee in the amount of \$30.00.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach