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

July 26, 2002

V-F Petroleum Inc. P.O. Box 1889 Midland, Texas 79702

Attn:

Mr. Larry Brazile

Re:

Application for Downhole Commingling

Walker "33" State Com Well No. 1 Unit Letter K, Section 33-18S-28E

Wildcat-Bone Springs, Undesignated Travis-Upper Penn and North Turkey Track-Morrow Pools

Eddy County, New Mexico

Dear Mr. Brazile:

The New Mexico Oil Conservation Division has advised this office that V-F Petroleum Inc. has applied to downhole commingle the production from the Walker "33" State Com Well No. 1. V-F Petroleum Inc. proposes to commingle the production from the Wildcat-Bone Springs, Undesignated Travis-Upper Penn and North Turkey Track-Morrow Pools.

Pursuant to State Land Office Rule No. 1.053, 1.054 and 1.055, please submit an application to this office for our approval together with the data recommended on the attached commingling pre-application form. The filing fee for a commingling application is \$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,

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

OCD-Attention: David Catanach