

**COMMISSIONER'S OFFICE**

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

**COMMERCIAL RESOURCES**

Phone (505) 827-5724

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**MINERAL RESOURCES**

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**ROYALTY MANAGEMENT**

Phone (505) 827-5772

Fax (505) 827-4739

**SURFACE RESOURCES**

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Fax (505) 827-5711

July 16, 2002

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

Attn: Mr. Brian Collins

Re: Downhole Commingling Application  
MJ State Well No. 2  
Unit Letter D, Section 2-18S-27E  
Red Lake Q-GB-SA and Red Lake Glorieta Yeso NE Pools  
Eddy County, New Mexico



This office is in receipt of your application of June 25, 2002, requesting our approval to downhole commingle the production from the above subject well from the Red Lake Q-GB-SA and Red Lake Glorieta Yeso NE Pools in 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>
Red Lake Q-GB-SA	71 %	68 %
Red Lake Glorieta Yeso NE	29 %	32 %
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	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.

Your filing fee in the amount of \$30.00 has been received.

Also, please submit a copy of the Oil Conservation Division's approval order.

Marbob Energy Corporation

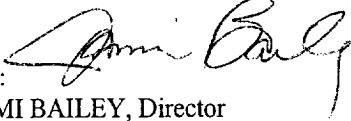
July 16, 2002

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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: 

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

RP/JB/cpm

Enclosure

xc: Reader File

~~CCD, State Energy Commission, David C. ...~~