



January 17, 2003

Bureau of Land Management 2909 W. 2<sup>nd</sup> St. Roswell, NM 88201

Attn: Mr. Armando Lopez

Re: Downhole Commingling Application AAO Federal #1 - Lot 4, Sec. 1-T18S-R27E AAO Federal #2 - Lot 3, Sec. 1-T18S-R27E Eddy County, New Mexico

Dear Mr. Lopez:

Enclosed are copies of the downhole commingling applications submitted to the NMOCD for the captioned well.

No crossflow will occur because the wells will be artificially lifted in a pumped-down condition. Commingling will not decrease the value of the wells' production.

Please contact me at 505-748-3303 if you have any questions.

Sincerely,

main

Brian Collins Petroleum Engineer

BC/dlw enclosure

