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FEB 05 2003

PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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OIL CONSERVATION DIVISION
COMMISSIONER'S OFFICE
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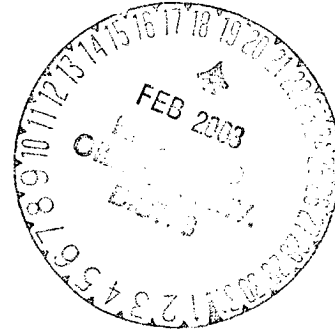
30-039-26836

February 3, 2003

Pure Resources L.P.
P.O. Box 850
Bloomfield, New Mexico 87413

Attn: Mr. Micheal C. Phillips

Re: Downhole Commingling Application
Rincon Unit Well No. 156R
Unit Letter K, Section 16-27N-06W
Basin Dakota and Blanco Mesaverde Pools
Rio Arriba County, New Mexico



Dear Mr. Phillips:

Your application to downhole commingle the Blanco Mesaverde and Basin Dakota production from within the wellbore of the above-captioned well was received on January 29, 2003.

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 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 and the Bureau of Land Management.

Please submit your \$30.00 dollar filing fee.

Also, please submit a copy of the Bureau of Land Management and Oil Conservation Division's approval orders.

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

BLM

"WORKING FOR EDUCATION"