



DHC-3149

PATRICK H. LYONS  
COMMISSIONER

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

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RECEIVED

MAY 15 2003

OIL CONSERVATION  
DIVISION

May 14, 2003

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210

Attn: Mr. James M. Hill

Re: Application for Downhole Commingling  
Chimay BAO State Well No. 1  
Unit Letter E, Section 2-24S-23E  
Wildcat Atoka and Hess Morrow East Pools  
Eddy County, New Mexico

Dear Mr. Hill:

Your application to downhole commingle the Wildcat Atoka and Hess Morrow East production from within the wellbore of the above-captioned well was received on May 1, 2003.

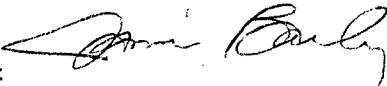
Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling is hereby approved. Any deviation from the 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.

Your \$30.00 filing fee has been received.

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

"WORKING FOR EDUCATION"