

GIL CONSERVE ON DIVISION RECEIVED

State of New Mexico '96 MAN 22 AM 8 52 Commissioner of Public Lands

(505) 827-5760 FAX (505) 827-5766

RAY POWELL, M.S., D.V.M. COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 March 21, 1996

Amoco Post Office Box 800 Denver, Colorado 80201

Attn: Ms. Pamela W. Staley

Re: Application for Exception to Rule 303-C Downhole Commingling Heaton LS #9 Com Well
990' FNL & 1495' FEL Unit B, Section 32-31N-11W Aztec Pictured Cliffs (Pool IDN 71280) Pool Blanco Mesaverde (Pool IDN 72319) Pool San Juan County, New Mexico

Dear Ms. Staley:

This office is in receipt of your application letter of March 12, 1996, requesting our approval to downhole commingle the production from the above subject well from the Aztec Pictured Cliffs and Blanco Mesaverde Pools in San Juan County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

POOL	ALLOCATION	
	<u>Condensate</u>	Gas_%
Blanco Mesaverde	100%	92%
Aztec Pictured Cliffs	0%	8%
	*	
	100%	100%

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Since ownership is common throughout, and there will be no loss of revenue to the State of New Mexico's beneficiaries from your proposed operation, the Commissioner of Public Lands, this date approves your request. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval should this operation prove to be unprofitable to the State at any time in the future. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a \$30.00 filing fee.

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:

LARRY KEHOE, Director Oil, Gas and Minerals Division (505) 827-5744

RP/LK/cpm Enclosure cc: Reader File OCD--Attention: David Catanach, Ben Stone Commissioner's File