

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO: NM-03202 3162.7-3 (07327) May 6, 1996

Ms. Mary Ellen Lutey Production Engineer (Meridian Oil) P.O. Box 4289 Farmington, NM 87499-4289

RE: Federal Lease NM-03202

Downhole Commingling Application
Aztec Pictured Cliffs and Blanco Mesaverde

No. 10 San Juan

760' FSL & 1050' FWL
Section 10, T. 30 N., R. 10 W.
San Juan County, New Mexico

Dear Ms. Lutey:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter May 1, 1996, requesting approval for downhole commingling of the Aztec Pictured Cliffs and the Blanco Mesaverde formations in the above referenced well.

After review, we hereby approve your application for downhole commingling. Please submit the allocation factors for this well once you have made your determination.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer Team Leader, Petroleum Management

bcc:

NMOCD, Santa Fe