

COMMERCIAL RESOURCES (505)-827-5724

SURFACE RESOURCES (505)-827-5795

MINERAL RESOURCES (505)-827-5744

> ROYALTY (505)-827-5772

State of New Mexico Commissioner of Public Lands

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LEGAL

(505)-827-5713

June 3, 1997

Texaco Exploration & Production, Inc. 3300 N. Butler Avenue Suite 100 Farmington, New Mexico 87401

Attn: Mr. Rached Hindi

Downhole Commingling Application Wayne Moore Com Well No. 1-A Unit Letter P. Section 16-31N-09W Blanco Pictured Cliffs and Blanco Mesaverde Pools

San Juan County, New Mexico

Dear Mr. Hindi:

We are in receipt of your application of May 28, 1997, requesting our approval to downhole commingle the production from the above subject well from the Blanco 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:

<u>POOL</u>	<u>ALLOCA</u>	<u>ALLOCATION</u>	
	Oil%	Gas %	
Blanco Pictured Cliffs	97%	46%	
Blanco Mesaverde	3%	54%	
	100%	100%	

Since it appears that 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 the production from the above-mentioned well is hereby approved. Any deviation from the substance of your request

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will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division. Your filing fee in the amount of \$30.00 has been received.

Please submit a copy of the Oil Conservation Division's approval.

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

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744

RP/JB/cpm

Enclosure

cc: Reader File

OCD-Attention: David Catanach, Ben Stone