

COMMERCIAL RESOURCES (505)-827-5724

SURFACE RESOURCES (505)-827-5795

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State of New Mexico Commissioner of Public Lands

Ray Powell, M.S., D.V.M. 310 Old Santa Fe Trall, P. O. Box 1148 Santa Fe, New Mexico 87504-1148 Phone (505)-827-5760, Fax (505)-827-5766 PUBLIC AFFAIRS (505)-827-5765

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September 23, 1997

Burlington Resources Oil & Gas Company P.O. Box 4289 Farmington, New Mexico 87499-4289

Attention: Ms. Peggy Bradfield

Re: Application for Downhole Commingling

Canyon Largo Unit Well No. 294E

Unit O, Section 2-25N-06W

Blanco-Mesaverde and Basin-Dakota Pools

Rio Arriba County, New Mexico

Dear Ms. Bradfield:

The New Mexico Oil Conservation Division has advised this office that Burlington Resources Oil & Gas Company has applied to downhole commingle the production from the Canyon Largo Unit Well No. 294E. Burlington proposes to commingle the production from the Blanco-Mesaverde Pool with production from the Basin-Dakota Gas Pool.

Pursuant to State Land Office Rule No. 1.053, 1.054 and 1.055, please submit an application to this office for our approval together with the data recommended on the attached commingling preapplication form. The filing fee for a commingling application is \$30.00.

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, Deputy Director

Oil/Gas and Minerals Division

(505) 827-5745

RP/JB/cpm Enclosure

xc: Reader File

OCD-Santa Fe--Attention: David Catanach, Ben Stone