



State of New Mexico  
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

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

February 2, 1998

Taurus Exploration USA, Inc.  
2198 Bloomfield Highway  
Farmington, New Mexico 87401

Attn: Mr. Gary W. Brink

Re: Downhole Commingling Application  
Wright State Com Well No. 1-E  
Unit Letter I, Section 36-32N-13W  
Wildcat Gallup and Basin Dakota Pools  
San Juan County, New Mexico

Dear Mr. Brink:

This office is in receipt of your application of January 27, 1998, requesting our approval to downhole commingle the production from the above subject well from the Wildcat Gallup and Basin Dakota 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>ALLOCATION</u>	
	<u>Oil %</u>	<u>Gas %</u>
Wildcat Gallup	0 %	12 %
Basin Dakota	100 %	88%
	<u>100</u>	<u>100</u>

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 will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

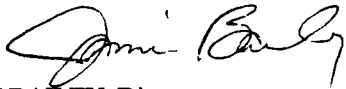
Please submit your filing fee in the amount of \$30.00.

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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:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm

Enclosure

xc: Reader File

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