



**COMMERCIAL RESOURCES**  
(505)-827-5724

**SURFACE RESOURCES**  
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**MINERAL RESOURCES**  
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**State of New Mexico**  
**Commissioner of Public Lands**

**Ray Powell, M.S., D.V.M.**  
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**PUBLIC AFFAIRS**  
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**ADMINISTRATIVE MGMT.**  
(505)-827-5700

**LEGAL**  
(505)-827-5713

**PLANNING**  
(505)-827-5752

June 2, 1999

Union Oil Company of California (UNOCAL)  
P.O. Box 3100  
1004 North Big Spring  
Midland, Texas 79702

Attn: Ms. Heather Dahlgren

Re: Downhole Commingling Application  
Rincon Unit Well No. 178  
Unit Letter K, Section 23-27N-07W  
Blanco Mesaverde and Basin Dakota Pools  
Rio Arriba County, New Mexico

Dear Ms. Dahlgren:

Your application to downhole commingle the Basin Dakota and Blanco Mesaverde production from within the wellbore of the above-captioned well was received on May 25, 1999.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and 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 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 and the Bureau of Land Management.

Please submit your \$30.00 dollar filing fee.

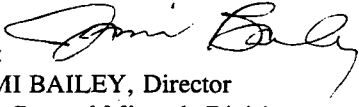
Also, please submit the appropriate approvals from the New Mexico Oil Conservation Division and the Bureau of Land Management.

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--Attention: David Catanach, Ben Stone

BLM

*"WE WORK FOR EDUCATION"*