



COMMERCIAL RESOURCES
(505)-827-5724

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

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PLANNING
(505)-827-5752

October 19, 1999

Four Star Oil & Gas Company
3300 N. Butler Avenue
Suite 100
Farmington, New Mexico 87401

Attn: Mr. Rached Hindi

Re: Application for Downhole Commingling
Farming "E" Well No. 3
Unit Letter K, Section 2-24N-06W
Devils Fork-Gallup and Basin-Dakota Pools
Rio Arriba County, New Mexico

Dear Mr. Hindi:

The New Mexico Oil Conservation Division has advised this office that Four Star Oil & Gas Company has applied to downhole commingle the production from the Farming "E" Well No. 3. Four Star Oil & Gas Company proposes to commingle the production from the Devils Fork-Gallup and Basin-Dakota Pools.

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 pre-application 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

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