

COMMISSIONER'S OFFICE

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New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.

COMMERCIAL RESOURCES

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MINERAL RESOURCES

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Fax (505) 827-4739

ROYALTY MANAGEMENT

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Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

November 15, 1999

Phillips Petroleum Company
 5525 Hwy. 64
 Farmington, New Mexico 87401

Attn: Mr. Mark Stodola

Re: Downhole Commingling Application
 San Juan 29-6 Unit Well No. 86
 Unit Letter N, Section 27-29N-06W
 Blanco Mesaverde and Basin Dakota Pools
 Rio Arriba County, New Mexico

Dear Mr. Stodola:

Your application to downhole commingle the Basin Dakota and Blanco Mesaverde production from within the wellbore of the above-captioned well was received on November 12, 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.

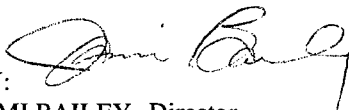
Please submit your \$30.00 dollar filing fee.

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"

310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148