DHC -2561

COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766

ADMINISTRATION Phone (505) 827-5700 Fax (505) 827-5853

GENERAL COUNSEL Phone (505) 827-5713 Fax (505) 827-4262

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

COMMERCIAL RESOURCES Phone (505) 827-5724 Fax (505) 827-6157

MINERAL RESOURCES Phone (505) 827-5744 Fax (505) 827-4739

ROYALTY MANAGEMENT Phone (505) 827-5772 Fax (505) 827-4739

SURFACE RESOURCES Phone (505) 827-5793 Fax (505) 827-5711

January 14, 2000

Conoco Inc. P.O. Box 2197 Houston, Texas 77252-2197

Attn: Ms. Deborah Moore

Re:

Application for Downhole Commingling

State Com "G" Well No. 3E

Unit Letter N, Section 32-29N-08W Blanco-Mesaverde and Basin Dakota Pools

San Juan County, New Mexico

Dear Ms. Moore:

The New Mexico Oil Conservation Division has advised this office that Conoco Inc. has applied to downhole commingle the production from the State Com "G" Well No. 3E. Conoco Inc. proposes to commingle the production from the Blanco-Mesaverde 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

RY.

JAMI BAILEY, Director Oil/Gas and Minerals Division

(505) 827-5744

RP/JB/cpm Enclosure

xc: Reader File

OCD--Attention: David Catanach, Ben Stone