

COMMISSIONER'S OFFICE

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DHC-2782

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SURFACE RESOURCES

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

July 5, 2000

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Attn: Mr. Albert R. Stall

Re: Downhole Commingling Application
Cabeza AUD Federal Com Well No. 1
Unit Letter D, Section 10-18S-29E
Undesignated Atoka, Turkey Track Morrow, North, and Loco Hills Chester Pools
Eddy County, New Mexico

Dear Mr. Stall:

Your application to downhole commingle the Undesignated Atoka, Turkey Track Morrow, North, and Loco Hills Chester production from within the wellbore of the above-captioned well was received on June 27, 2000.

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.

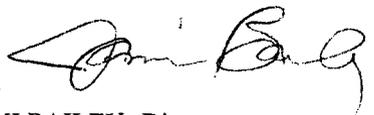
Please submit your \$30.00 filing fee.

Also, please submit a copy of the Oil Conservation Division's approval order and the Bureau of Land Management's approval.

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