

DHC-3037

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



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

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

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

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

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

PUBLIC AFFAIRS  
Phone (505) 827-1245  
Fax (505) 827-5766

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

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

September 10, 2002

Mewbourne Oil Company  
P.O. Box 7698  
Tyler, Texas 75711

Attn: Ms. Janet Burns

Re: Downhole Commingling Application  
Carlsbad 22 State Com Well No. 1  
Unit Letter C, Section 22-21S-26E  
Avalon; Strawn (Gas) and Avalon; Morrow (Gas) Pools  
Eddy County, New Mexico

Dear Ms. Burns:

This office is in receipt of your application of August 22, 2002, requesting our approval to downhole commingle the production from the above subject well from the Avalon; Strawn (Gas) and Avalon; Morrow (Gas) Pools in Eddy County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil %</u>	<u>Gas %</u>
Avalon; Strawn (Gas)	100 %	75 %
Avalon; Morrow (Gas)	0 %	25 %
	-----	-----
	100	100

Since it appears that 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 the production from the above-mentioned well 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.

Your filing fee in the amount of \$30.00 has been received.

*"WE WORK FOR EDUCATION"*

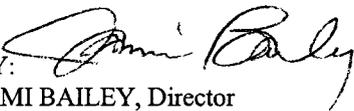
Mewbourne Oil Company  
September 10, 2002  
Page 2

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

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--Santa Fe--Attention: David Catanach