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State of New Mexico NOV 20 Pri 1 39 Commissioner of Public Lands

PATRICK H. LYONS COMMISSIONER

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Fax (505) 827-5766 www.nmstatelands.org

November 17, 2008

ConocoPhillips P. O. Box 2197 Houston, TX 77252-2197

Attention: Ms. Celeste G. Dale

Re: Commingling Application Sixth Amendment of NMOCD Commingling Order PC-916 Hardy Simpson-Ellenburger Pool North Hardy Tubb-Drinkard Pool South Cass-Strawn Pool North Hardy-Strawn Pool Skaggs; Grayburg Pool Hardy 36 State Lease Commingling Facility NE/4 SW/4.Sec. 36-20S;37E

Lea County, New Mexico

Dear Ms. Dale:

We are in receipt of your letter of August 5, 2008. Your letter requests our approval to amend the existing NMOCD pool lease commingling permit number PC-916 to add the following well:

Hardy 36 State Well No. 3 (API #30-025-32479), Skaggs Grayburg Pool (57380)

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 is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Your \$30.00 filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director Oil, Gas and Minefals Division (505) 827-5744 PM/JB/pm

pc: Reader File, OCD-Attention: Mr. Ed Martin -State Land Office Beneficiaries -

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