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PATRICK H. LYONS COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

February 18, 2008

Burlington Resources P.O. Box 4289 Farmington, New Mexico 87499-4289

Attn: Ms. Tracey N, Monroe

Re: Downhole Commingling Application

Huerfano Unit Well No. 144 Unit Letter P Section 31-27N-09W API No. 30-045-11559

Blanco Fruitland Coal and Ballard Pictured Cliffs Pools

San Juan County, New Mexico

Dear Ms. Monroe:

Thank you for your application to downhole commingle the Basin Fruitland Coal and Ballard Pictured Cliffs pools from the referenced well in San Juan County, New Mexico.

Since it appears that all the New Mexico Oil Conservation's (OCD) 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 application is approved. Any deviation from the substance of your application will be cause for rescinding our approval, and approval is subject to like approval by the OCD.

Please submit a copy of the OCD's approval order as soon as possible.

Please submit a filing fee in the amount of \$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,

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil, Gas and Minerals Division

PL/JB/jm Enclosure

xc: Reader File

OCD-Ed Martin,