

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

March 28, 2008

Chevron Midcontinent, L.P.
P. O. Box 36366
Houston, TX 77236

Attention: Mr. Arthur R. Boehm, Jr.

Re: Rincon Unit
Commerciality Determinations
Mesaverde Formation
Rio Arriba County, New Mexico

Dear Mr. Boehm:

We are in receipt of your letter of February 13, 2008 together with the commercial determination data for 8 Rincon Unit wells recently completed in the Mesaverde formation.

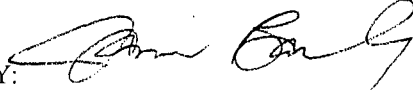
Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management's determination letter of February 29, 2008 that the Rincon Unit Well Nos. 168E, 57, 169, 202, 227, 11P and 203M are capable of producing unitized substances in paying quantities from the Mesaverde formation. Please submit the appropriate revision to include these wells in the Mesaverde participating area.

The Rincon Unit Well No. 11E is a non-commercial well in the Mesaverde formation but will be included in the PA because the Well No. 11P (S/2 Sec. 6-26N-6W) qualifies as a commercial well.

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 Minerals Division
(505) 827-5744

PL/JB/pm

pc: Reader File
BLM-Farmington Attn: Mr. Wayne Townsend
TRD-Attn Mr. Valdean Severson
OCD-Attn: Mr. Ed Martin

-State Land Office Beneficiaries -

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