



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

June 15, 1973

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. J. H. Ashford
Tesoro Petroleum Corporation
Suite 1012
1776 Lincoln Street
Denver, Colorado 80203

Re: Storage of Production
Santa Fe #32
Hospah-Dakota Pool

5 17N-8W

Dear Harvey:

Administrative order PLC-36 authorizes the surface commingling of production from the Santa Fe lease in Section 7, 17N, 8W which includes the Hospah-Dakota Pool, South Hospah Lower Sand Pool and South Hospah Upper Sand Pool.

If the Santa Fe #32 is on the same lease as in Section 7, the production may be commingled after being tanked and measured separately.

A copy of the order is enclosed for your records.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
Engineer, District #3

ARK:mc

Encl.

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TESORO PETROLEUM CORPORATION

ROCKY MOUNTAIN DISTRICT
SUITE 1012, 1776 LINCOLN STREET
DENVER, COLO. 80203
PHONE 303-572-8337

June 12, 1973

Mr. Emmery Arnold
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

5-17N-8W
Re: Santa Fe #32 - Hospah Dakota Field

Dear Mr. Arnold:

We placed our Santa Fe #32 on production June 4, 1973, after fracing with 9000 gallons gelled Dakota crude. We recovered our frac oil and started making new formation oil on June 5, 1973. Production tests indicate the well will flow 100 barrels oil per day.

Please give us permission to sell this new production through our Santa Fe battery LACT unit until we are assigned an allowable. We are currently trucking from the frac tanks on location to the Santa Fe battery and will continue until we either lay a flow line or build a new battery.

Best regards,

TESORO PETROLEUM CORPORATION



J. Harvey Ashford, Jr.
J. Harvey Ashford, Jr.
District Engineer

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