OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

June 10, 1969

Tesoro Petroleum Corporation 533 Busby Drive San Antonio, Texas 78209

Attention: Mr. R. H. Denman

Administrative Order PC-378

Gentlemen:

Reference is made to your application dated May 23, 1969, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of South Hospah Upper Sand production from your Santa Fe "A" Wells Nos. 77 and 79 and South Hospah Lower Sand production from your Santa Fe "A" Wells Nos. 72, 73, 74, 75, and 76, all in the SE/4 of Section 1, Township 17 Worth, Range 9 West, Hospah Field, McKinley County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that all production from the aforesaid pools on said lease is of marginal nature.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," and provided further, that you shall notify the Commission at such time as any well in either pool is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission - Aztec
Oil & Gas Engineering Committee - Hobbs

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Arcertion: Ir. R. H. Denman

Administra ive Order PC-3::

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Reference is made to your application camed May 17, 1950, for administrative approval of an exception to Rule 3(1 (a) or the Commission Rules and Regulations to morphis the committee of of South Hospan Upper Sand production tros your Santa Fe 18: Veils Nos. 77 and 7° and South Hospan Lower Sand production in your Santa Fe 18: Year Santa Fe 18: Wells Nos. 72, 73, 74, 75, and 75, for the first Short of Section 1, Younghip 17 Nough, Rathed heast, Margarian the Markins of production of the Members of the production of the Santa Santa County, New Members. It is our adderstanding that the rest of particles of the American Pocks of the Santa Santa County.

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A. T. PORTEL, St. Sacretary-Direction

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