OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE. NEW MEXICO 87501

December 29, 1970

Aztec Oil & Gas Company 2000 First National Bank Building Dallas, Texas 75202

Attention: Mr. L. D. Baton

Administrative Order PC-410

Gentlemen:

Reference is made to your application dated November 10, 1970, and further correspondence dated November 13, 1970, and December 18, 1970, requesting the approval of your proposed commingling of Dakota condensate and Gallup oil from your Hillside Lease located in Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico. It is our understanding that production from both zones is of marginal nature and you therefore propose to allocate the production to each pool on the basis of monthly GOR tests.

By the authority vested in me under the provisions of Rule 303-B of the Commission Rules and Regulations, Aztec Oil & Gas Company is 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 of the aforesaid pools is capable of top allowable production.

It is the responsibility of the producer to notify the transporter of the aforesaid commingling authority.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Aztec Oil & Gas Engineering Committee - Hobbs United States Geological Survey - Roswell

OLL CONSERVATION COMMISSION PLO BOX 2088 SANTA FE, NEW MIXICO 82501

Secendro 23, 1996

Artec Gil a Cas Company 2000 Euret Mations: Sand Building Daliss, Tabas 75202

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Administrative Order 10-610

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ALE/REN/esr

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