NEW MEXICO OIL CONSERVATION COMMISSION POST OFFICE BOX 2088 SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PC- 498

Company Address Tesoro Petroleum Corporation Suite 1012, 1776 Lincoln St.

City, State, Zip

Denver, Colorado

Attention:

Mr. L. C. Marquart

Lease Name:

Hanson "A"

SE/4 SE/4 Section 6 and NW/4 NW/4 Section 8,

Description:

T-17-N, R-8-W, McKinley County

The above-named company is hereby authorized to commingle production from the following pools

> South Hospah Upper Sand Lone Pine Dakota

in a common tank battery, and to determine the production from each pool by

- separately metering the production from each pool prior to commingling
- separately metering the production from the Lone Pine Dakota and determining the South Hospah Upper Sand production by the subtraction method
- well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Commission in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Commission will amend this order or take such other action as may be appropriate)

This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Commission Rules and Regulations and the Commission "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS:

day of November DONE at Santa Fe, New Mexico, on this 18th 1974

A. L. PORTER, Jr., Secretary-Director