

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 13, 1971

Tesoro Petroleum Corporation  
8520 Crownhill  
San Antonio, Texas 78209

Attention: Mr. R. H. Denman

Administrative Order PLC-36

Gentlemen:

Reference is made to the recent telephone conversation between Mr. Denman and Mr. Mutter and also to your letter of March 15, 1971, requesting authority to commingle Lone Pine-Dakota production from your Santa Fe Wells Nos. 26 and 27, located in Units M and J, respectively, of Section 7, Township 17 North, Range 8 West, with South Hospah-Dakota and South Hospah Upper and South Hospah Lower production from your Santa Fe lease.

It is our understanding that said South Hospah-Dakota and South Hospah Upper and South Hospah Lower production, currently commingled under Commission Order No. PC-365, as amended August 18, 1970, is all of common ownership and is commingled after separately measuring the Dakota and Lower Hospah production in separate tanks and determining the Upper Hospah pool production by means of the subtraction method. It is our further understanding that this new Lone Pine-Dakota production which you proposed to go into the commingling system is of different ownership, being jointly owned by Tenneco and Tesoro, and that it will be separately tanked and measured before being commingled with the other production in the automatic custody transfer system.

Tesoro Petroleum Corporation is hereby authorized to commingle certain production as described in the second paragraph of this order, and to further commingle with said production the Lone Pine-Dakota production from its Santa Fe

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Wells Nos. 26 and 27, after separately tanking and measuring said Lone Pine production, and Administrative Order PC-365 which previously authorized certain commingling is hereby cancelled.

Tesoro is further requested to furnish a letter from Tenneco agreeing to this procedure as soon as possible.

The operator is expected to notify the purchaser of this commingling authority.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/DSN/dr

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

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REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE

1871-72

IN CONNECTION WITH THE LANDS ACT, 1862

1871-72

IN CONNECTION WITH THE LANDS ACT, 1862

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