

COMMINGLING ORDER PLC-117

Amoco Production Company P.O. Box 800 Denver, Colorado 80201-0800

Attention: Ms. Pamela Staley

The above-named company is hereby authorized to commingle Otero Chacra (Gas - 82329) Pool and Armenta Gallup (Oil - 2290) Pool production from the following leases:

Lease:

State 'BY' Gas Com Well No.1 (Chacra)

Description: SE/4 and;

Lease:

State 'BZ' Gas Com Well No.1 (Gallup)

Description: NE/4 SE/4;

of Section 32, Township 29 North, Range 10 West, San Juan County, New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

FURTHER: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: <u>Validation of this authority shall be accomplished with like approval by the State Land Office.</u>

DONE at Santa Fe, New Mexico, on this 20th day of March, 1996.

WILLIAM J. LEMAY,

Division Director

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WJL/BES

cc: Oil Conservation Division - Aztec

State Land Office - Oil & Gas Division