STATE OF NEW MEXICO



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

Suite 300

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING AMENDED TA FE, NEW MEXICO 875.04 COMMINGLING ORDER PC-795

> AUG31!1992 OIL CON. DIV

DIST. 3

Attention: Glen O. Papp

Farmington, New Mexico 87401

Unocal Oil & Gas Division 3300 North Butler Avenue

LEASE NAME:

Rincon Unit (Well No. 159-M)

DESCRIPTION:

N/2 Section 18, Township 27 North, Range 6 West, NMPM,

Rio Arriba County, New Mexico

The above-named company is hereby authorized to commingle Basin-Dakota and Blanco-Mesaverde Pool production in a common tank battery and in a common gas sales line and to determine the gas production from each pool by separately metering individual gas production by allocation meters and multiplying said volumes by an allocation factor. The allocation factor shall be determined by dividing the central sales meter volume by the sum of the individual allocation meter volumes.

The liquid hydrocarbon production from each pool shall be determined by multiplying the monthly liquid hydrocarbon production by an allocation factor. Such allocation factor shall be determined by initial production tests and by production tests conducted bi-annually thereafter.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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.

DONE at Santa Fe, New Mexico, on this 27th day of August 1992.

WILLIAM J/LEMAY,

Division Director

cc: Oil Conservation Division - Aztec