NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

COMMINGLING ORDER PC-934

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

Attention: Ms. Pamela W. Staley

Storey 'LS' Well Nos.1A (MV) and 8 (PC) Federal Lease No.SF-078566 LEASE NAME:

N/2 (Blanco Mesaverde) and NW4 (South Blanco Pictured Cliffs) **DESCRIPTION:**

Section 27, Township 28 North, Range 8 West,

NMPM, San Juan County, New Mexico

The above-named company is hereby authorized to commingle Blanco Mesaverde and South Blanco Pictured Cliffs Pool production in a common tank battery and to determine production from each pool by 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 Division in the event any well on the commingled battery becomes capable of the allowable production, at which time the Division will amend this order or take such other action as may be appropriate.)

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

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 3rd day of June, 1996.

WILLIAM J. LEMAY, Director

WJL/BES

cc:

Oil Conservation Division- Aztec

Bureau of Land Management - Farmington