

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 22, 1963

Phillips Petroleum Company
P. O. Box 2130
Hobbs, New Mexico

Attention: Mr. W. C. Rodgers

Administrative Order PC-157

Gentlemen:

Reference is made to your application dated August 7, 1963, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of the production from the Maljamar Grayburg-San Andres and the Vacuum Grayburg-San Andres Pools on your Philmex Lease comprising all of Section 26 and the N/2, SE/4, NE/4 SW/4, and S/2 SW/4 of Section 27, Township 17 South, Range 33 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that all of the aforesaid production is of marginal nature.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities"; and provided further, that you shall immediately notify the Commission at such time as any well in either pool is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/ear

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SALT LAKE CITY, UTAH