m. Nutter

## OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 26, 1974

Continental Oil Company P.O. Box 460 Hobbs, New Mexico 88240 Re: Amendment Administrative Order PC-250

Attention: Kr. L. P. Thompson

Gentlemen:

Reference is made to your letter of February 28, 1974, requesting the amendment of the subject order to cover the commingling installation as you propose to revise it.

Order PC-250 as originally issued in December, 1964, authorized the commingling of Skaggs Grayburg and undesignated Tubb (which later became Monument-Tubb) production after separately metering the Tubb production and determining the Grayburg production by subtraction. The order was subsequently amended in November, 1970, to include Blinebry production after separately metering both the Tubb and Blinebry production and continuing to determine the Grayburg production by subtraction.

Later Order No. R-4180 authorized downhole commingling of Weir Drinkard and Monument Tubb production in the well-bore of your SEMU No. 70 and you placed this commingled production in the subject battery after separate measurement. Meanwhile, as far as we can determine, you have pulled the Skaggs Grayburg production out of the commingling installation and are apparently handling it separately.

Assuming our interpretation of the correct status of this installation is correct, Administrative Order PC-250 is hereby amended to permit the commingling of Monument Tubb production from SEMU Wells Hos. 84, 85, 86, 87, and 88 with Weir-Drinkard and Monument Tubb commingled production from Well Mo. 70,

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and Weir-Blinebry and Weir-Drinkard production from Well No. 61, and Monument Tubb and Weir-Blinebry commingled production from Well No. 84, after separately metering the commingled production from Well No. 70, both streams from Well No. 61, and the combined Monument-Tubb production from Wells Nos. 84, 85, 86, 87, and 88.

Please advise if Skaggs-Grayburg production is being commingled with any other production at this time.

Very truly yours,

A. L. PORTER, JR. Secretary-Director

ALP/DSN/jr

cc: Oil Conservation Commission - Hobbs Oil & Gas Engineering Committee - Hobbs U. S. Geological Survey - Roswell