

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 12, 1968

Marathon Oil Company
P. O. Box 220
Hobbs, New Mexico 88240

Attention: Mr. Joe W. Younger

Administrative Order PC-341

Gentlemen:

Reference is made to your application dated December 18, 1967, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Penrose Skelly and Drinkard production on your Dayton C. Hardy Lease comprising the N/2 SE/4 of Section 20, Township 21 South, Range 37 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that the production from each pool on said lease 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 notify the Commission at such time as any well in either of the aforesaid pools is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSM/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Dear Sir:

Enclosed for you are two copies of a report
dated 10/10/68, prepared by the Santa Fe
Office of the Commission.

The report is titled "Oil Conservation in New Mexico".

Very truly yours,

W. L. RAY

Enclosed for you are two copies of a report dated 10/10/68, prepared by the Santa Fe Office of the Commission. The report is titled "Oil Conservation in New Mexico". The report is a summary of the work of the Commission during the past year. It contains a list of the Commission's activities, a list of the Commission's accomplishments, and a list of the Commission's recommendations. The report is a valuable document for anyone interested in oil conservation in New Mexico.

The Commission is a non-profit organization dedicated to the conservation of oil resources in New Mexico. It was established in 1967 and has since that time been working to promote the efficient use of oil resources and to develop alternative sources of energy. The Commission's activities include conducting research, holding public hearings, and lobbying on behalf of conservation. The Commission's accomplishments include the passage of the Oil Conservation Act of 1968, the establishment of the Oil Conservation Fund, and the development of the Oil Conservation Program. The Commission's recommendations include the implementation of the Oil Conservation Act, the establishment of the Oil Conservation Fund, and the development of the Oil Conservation Program.

Very truly yours,

A. L. LORAN, Jr.
Secretary

W. L. RAY

Oil Conservation Commission (with enclosure) - 10/10/68
Oil Conservation Commission - 10/10/68