OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

June 25, 1971

Gulf Oil Company - U.S. P. O. Bex 670 Hobbs, New Mexico 88240

Attention: Mr. C. D. Borland

Administrative Order PC-416

Gentlemen:

Reference is made to your application for the amendment of Commission Orders R-1093, R-1093-A, R-1093-B and R-1093-C which authorised certain commingling on your Learcy McBuffington Lease in Section 13, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico, after separately metering the production from each pool. It is our understanding that all of the affected production is now of marginal nature and that you propose to delete the metering requirements from the subject orders.

Inasmuch as these orders were entered after notice and hearing, it is not possible to amend them except after notice and hearing. However, the proposed commingling with allocation on the basis of periodic well tests is, under the circumstances, eligible for administrative approval.

Pursuant to the authority granted me by Rule 303-B of the Commission Rules and Regulations, Gulf Oil Company, is hereby authorized to commingle Justis McKee, Ellenburger, Fusselman, and Montoya production in one battery and Justis Tubb-Drinkard and Blinebry and Langlie-Mattix production in another battery on its Learcy McBuffington Lease as described above, allocating the production to each well and to each pool on the basis of periodic well tests, provided however,

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that Gulf shall notify the Commission in the event that any well producing into either battery becomes capable of top allowable production.

Commission Orders R-1093, R-1093-A, R-1093-B, and R-1093-C, which are in conflict with this order, are hereby put in abeyance.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSM/dr

ccs Oil Conservation Commission - Hobbs Oil & Gas Engineering - Hobbs