## OIL CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

Mr. Jason Kellahin Box 1713 Santa Fe, New Mexico

 Dear Mr. Kellahin:

 On behalf of your client, Continental Oil Company, we enclose two copies of Order No. R-1405 and two copies of Order R-1400 issued May 28, 1959, by the Oil Conservation Commission.

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 Very truly yours,

 A. L. FORTER, Jr., Becretary-Director

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Enclosures

## OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

June 10, 1969

Continental Oil Company P. O. Box 460 Mobbs, New Mexico 88240

Attention: Mr. G. C. Jamieson

Administrative Order PC-379

Gentlemen:

Reference is made to your application dated May 14, 1969, for administrative approval of an exception to Bule 303 (a) of the Commission Rules and Regulations to permit the commingling of Hobbs Grayburg San Andres and Hobbs Blinebry production on your State  $\lambda$ -29 Lease comprising the R/2 SW/4 and NW/4 SE/4 of Section 29, Township 18 South, Range 38 East, Les County, New Mexico, after separately metering the Blinebry production and determining the Hobbs Grayburg San Andres production by means of the subtraction method. It is our understanding that after this production has been commingled it will be passed to the commingling installation operated pursuant to the provisions of Order No. R-1400 wherein Grimes Lease, State  $\lambda$ -23 Lease, and State  $\lambda$ -29 Lease production from the Hobbs Pool is handled in a common battery.

By the authority granted 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 "Nanual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters, and provided further, that you shall notify the Hobbs District Office of the Commission at such time as the installation is complete in order that an inspection may be made thereof.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSM/esr

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