

**OIL CONSERVATION COMMISSION**

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 6, 1970

Imperial American Management Company  
507 Midland Savings Building  
Midland, Texas 79701

Attention: Darol K. Ramey

Administrative Order No. DHC-69  
Fanning "B" Well No. 1  
Unit A of Section 33, Township 23  
South, Range 37 East, NMPM,  
Teague-Blinbry and Imperial Tubb-  
Drinkard Pools - (CORRECTED COPY)

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Commission Order No. MC-1842, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the Imperial Tubb-Drinkard Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 65%  
Lower Pool: 35%

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Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs  
Oil & Gas Engineering Committee - Hobbs

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Imperial-American Management Company  
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Attention: Mr. Darol K. Ramey

Gentlemen:

With regard to your letter dated October 28, 1970, the percentages for assignment of allowable was determined from the decline curves accompanying the application for commingling. The curves and C-116 were in conflict and the curves were used.

By reviewing the C-115's for your Fanning "B" Well No. 1 A-33-23S-37E, the error in assignment of allowable is apparent. A corrected copy of Administrative Order DHC-69 is enclosed.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs

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DHC-69