

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 7, 1964

Signal Oil and Gas Company
909 West Tenth Avenue
Midland, Texas

Attention: Mr. D. J. Delany

Administrative Order CTB-122

Gentlemen:

Reference is made to your application dated July 16, 1964, for administrative approval of an exception to Rule 309 (a) of the Commission Rules and Regulations to permit the commingling of oil produced from the Tobac Pennsylvania Pool on the following leases: State E-8252 comprising the N/2 NE/4, S/2 NE/4, N/2 S4/4, and S/2 SE/4 of Section 29; the State E-8253 Lease comprising all of Section 30, all in Township 8 South, Range 33 East, Lea County, New Mexico. It is our understanding that each of these leases has a common working interest and that the royalty interest is also common throughout, and that you therefore propose to allocate the production to each of the leases on the basis of periodic well tests.

Under the authority granted me pursuant to Rule 309 (b), you are hereby authorized to commingle the above-described production as proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities."

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALP:DSH:ag

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Accounting Commission - Santa Fe
State Land Office - Santa Fe