

GOVERNOR
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State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 2088
SANTA FE

October 4, 1965

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico

Attention: Mr. V. E. Staley

Administrative Order CTB-148

Gentlemen:

Reference is made to your application dated July 2, 1965, for administrative approval of an exception to Rule 309-A of the Commission Rules and Regulations to permit the commingling of oil produced from your Malco Refineries "F" Lease comprising the NE/4, SW/4, NE/4 NW/4, and S/2 NW/4 of Section 1, Township 18 South, Range 27 East, and your Malco Refineries "R" Lease comprising the NW/4 NW/4 of Section 1, Township 18 South, Range 27 East, Empire Abo Pool, Eddy 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:DSN:sg

cc: Oil Conservation Commission (with enclosure) - Artesia
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell