

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 26, 1961

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

Attention: Mr. V. E. Staley

Administrative Order PC-31

Gentlemen:

Reference is made to your application for administrative approval of an exception to Rule 303 A of the Commission Rules and Regulations to permit the commingling of the oil production from an undesignated Bone Springs Pool, an undesignated Wolfcamp Pool, the Shugart-Delaware Oil Pool, from the Greenwood Unit Well No. 3 located 1985 feet from the North line and 660 feet from the East line of Section 27, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, and from the Greenwood Unit Well No. 4 located 660 feet from the North line and 660 feet from the West line of said Section 27, after separately metering the production from each pool.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production as outlined in your application and in the paragraph above.

All meters shall be equipped with non-reset totalizers and shall be operated and maintained in such a manner as to

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ensure an accurate measurement of the liquid hydrocarbon production at all times. All meters shall be checked for accuracy at least once each month until further direction by the Secretary-Director. All meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration shall be filed with the Commission on the Commission form entitled "Meter Test Report."

In view of the fact that the Commission has appointed an industry committee to study all phases of commingling and recommend minimum standards to prevent abuses, it may be that this installation will, at a later date, have to be revised to conform to such standards.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/RSM/og

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