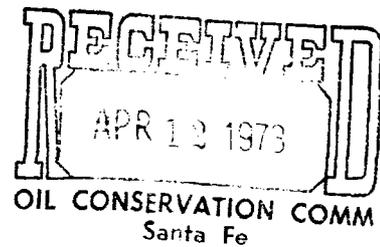


*Amend
PC 80*



PETROLEUM PRODUCTS

April 9, 1973



TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87051

Re: Revision of Commission Order
PC-80 Commingle of Production
G.L. Erwin 'b' (NCT-2) Lease
Lea County, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Texaco Inc. respectfully requests permission to commingle liquid hydrocarbon production without measuring the separate production from the North Justis (Blinebry, Ellenburger, Montoya, Drinkard, Devonian [Wells No. 1 and 2] and Fusselman [Wells No. 3 and 5]) Pools prior to commingling with the Justis Devonian North (Well No. 4) and Justis Fusselman North (Well No. 4) Pools on the G.L. Erwin 'b' Lease which consists of the SE/4 of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico.

Commission Order PC-80 granted authority to commingle the production from the aforementioned pools and the North Justis McKee and Waddell Pools by separately metering each pool. Production from the McKee and Waddell Pools has since ceased and production into the battery on the subject lease has declined to a marginal status for all wells in the pools being commingled in the battery. In support of this, a tabulation of the average daily production over a 60-day period has been attached.

In accordance with New Mexico Oil Conservation Commission "Manual for the Installation and Operation of Commingling Facilities," Section II - "Commingling between Pools and Zone," Item 1 - "Marginal Zones," commingled production may be permitted without separately metering each zone if production is then based on periodic well tests. The production from the Devonian and Fusselman Pools in Well No. 4 will continue to be metered separately due to subjection of a sliding royalty payment.

Working and royalty interests are identical in all zones on the lease. Royalty interests in the lease include the U.S. Geological Survey, and copies of this application are being sent to U.S.G.S., P.O. Box 1157, Hobbs, New Mexico, requesting consent in writing to the proposed commingling operation. The U.S.G.S. will then forward their consent directly to the Commission at Santa Fe.

Yours very truly,

J. V. Gannon
J. V. Gannon

District Superintendent

KLP:wg
MAS, JR., USGS-Hobbs
Attachment

TEXACO Inc.

DAILY PRODUCTION (BOPD)
G. L. ERWIN 'b' FEDERAL (HCT-2) LEASE

	<u>January</u> 1973	<u>February</u> 1973
<u>Justis Blinebry</u>		
Top Allowable (107 BOPD/well)		
Well No. 1	2	1
2	17	16
3	6	11
4	2	3
 <u>Justis Devonian North</u>		
Top Allowable (187 BOPD/well)		
Well No. 1	1	0
2	3	3
4	14	21
 <u>Justis Ellenburger North</u>		
Top Allowable (230 BOPD/well)		
Well No. 5	25	18
 <u>Justis Fusselman North</u>		
Top Allowable (187 BOPD/well)		
Well No. 3	22	20
4	35	36
5	22	22
 <u>Justis Montoya North</u>		
Top Allowable (187 BOPD/well)		
Well No. 5	1	9
 <u>Justis Tubb Drinkard</u>		
Top Allowable (107 BOPD/well)		
Well No. 3	1	1