

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

November 13, 1963

Continental Oil Company
P. O. Box 1377
Roswell, New Mexico

Attention: Mr. A. B. Slaybaugh

Gentlemen:

Reference is made to your application dated October 18, 1963, wherein you request authority to commingle Maljamar-Devonian, Maljamar-Abo, Maljamar Grayburg-San Andres, and Baish-Wolfcamp production on your Baish "B" Lease comprising the S/2 SE/4 of Section 21, the NE/4, SW/4, E/2 NW/4, and NW/4 SE/4 of Section 22, all in Township 17 South, Range 32 East, Lea County, New Mexico.

Administrative Order PC-143, dated May 17, 1963, authorized the commingling of the Maljamar Grayburg-San Andres and Baish-Wolfcamp production from that portion of the Baish "B" Lease lying outside the Participating Area of the Maljamar Cooperative Unit Area.

It would appear that this current application would be for the commingling of not only production from more than one pool, but also production from the Participating Area as well as outside of the Participating Area. If this be the case, your application should be for an exception to Rule 309-A of the Commission Rules and Regulations as well as an exception to Rule 303 (a) of the Rules, and the installation would then have to comply with the more rigid requirements of Part III, Commingling Between Leases, of the Commission "Manual for the Installation and Operation of Commingling Facilities."

Please advise if the ownership of all portions of the Baish "B" Lease as outlined in your application of October 18 are common throughout.

Very truly yours,

DANIEL S. NUTTER
Chief Engineer

DSN/esr

cc: Oil Conservation Commission - Hobbs
United States Geological Survey - Roswell