

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 22, 1963

Castle and Wigzell
P. O. Box 868
Midland, Texas

Attention: Mr. John B. Castle

Administrative Order PC-156

Gentlemen:

Reference is made to your letter of August 9, 1963, requesting administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of the production from the Artesia and East Empire Pools on your N. G. Phillips State Lease comprising the S/2 E/2, N/2 SE/4, and SE/4 SE/4 of Section 27, Township 17 South, Range 23 East, Eddy County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that the production from both pools on this lease is marginal.

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 from the aforesaid pools on said lease in the above-described manner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities"; and provided further, that you shall immediately notify the Commission at such time as any well in either pool is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DsH/asr

cc: Oil Conservation Commission (with enclosure) - Artesia
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe