

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 3, 1964

Cities Service Oil Company
P.O. Box 97
Hobbs, New Mexico

Attention: Mr. C. F. Potter

Administrative Order 20-203

Gentlemen:

Reference is made to your application dated March 23, 1964, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of oil production from the Blinbry and Drinkard Oil pools and condensate production from the Blinbry and Tubb Gas pools on your Brunson C lease comprising the SE/4 of Section 3, Township 22 South, Range 37 East, Lea County, New Mexico, after separately metering the Blinbry oil production and determining the Drinkard oil production and the Tubb and Blinbry condensate production by means of the subtraction method, allocating to each of the three zones on the basis of periodic well tests. It is our understanding that the average daily production from four wells on this lease in the Drinkard pool totals 25 barrels a day and the Blinbry and Tubb condensate production amounts to 1.2 barrels each.

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 notify the Commission at such time as any well in the Drinkard, Blinbry Gas, or Tubb Gas pools becomes capable of top allowable production.

Very truly yours,

C. F. Potter, Jr.
Secretary-Director

AIR:DSM:eg

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Accounting - Santa Fe