

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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ILLEGIBLE

February 16, 1965

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Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

attention: Mr. Jack Marshall

Administrative Order FC-253

Gentlemen:

Reference is made to your application dated February 5, 1965, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Eunice Grayburg-San Andres and Oil Center Blincoary production on your State "D" Lease comprising the SW/4 of Section 11, Township 21 South, Range 36 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that all wells in both pools on said lease are of marginal nature.

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 this 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 either of the aforesaid pools is capable of top allowable production.

Very truly yours,

A. L. Fortaw, Jr.
Secretary-Director

ALF:DNH:ag

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