

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 2088
SANTA FE

October 20, 1966

Sinclair Oil & Gas Company
P. O. Box 1920
Hobbs, New Mexico

Attention: Mr. W. F. Burns

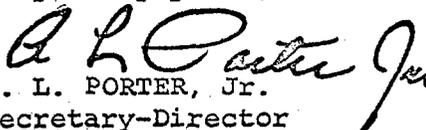
Administrative Order PC-312

Gentlemen:

Reference is made to your application dated September 27, 1966, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Drinkard and Paddock production on your Ollie Boyd Lease which comprises the NW/4 of Section 23, Township 22 South, Range 37 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that the production from each pool is 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 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 either of the aforesaid pools is capable of top allowable production.

Very truly yours,


A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

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