

NEW MEXICO OIL CONSERVATION COMMISSION
POST OFFICE BOX 2088
SANTA FE, NEW MEXICO 87501

AMENDMENT
COMMINGLING ORDER PC-329

Company Gulf Oil Company, U.S.
Address P. O. Box 670
City, State, Zip Hobbs, New Mexico 88240

Attention: Mr. C. D. Borland

Lease Name: R. E. Cole (NCT-A) Lease
Description: Sec. 16, Township 22 South, Range 37 East, Lea County

The above-named company is hereby authorized to commingle production from the following pools

Brunson-Ellenburger and South McCormack Silurian

in a common tank battery, and to determine the production from each pool by

_____ separately metering the production from each pool prior to commingling

_____ separately metering the production from

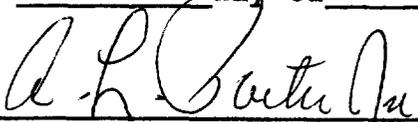
and determining the production by the subtraction method

 X well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Commission in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Commission will amend this order or take such other action as may be appropriate)

Note: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Commission Rules and Regulations and the Commission "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Administrative Order PC-329, prior to this amendment, authorized commingling of production from the above pools on this lease and also from the Montoya formation after separately metering production from all three pools

DONE at Santa Fe, New Mexico, on this 19th day of October 1972.


A. L. PORTER, Jr., Secretary-Director

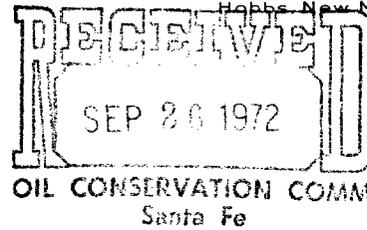
Gulf Oil Company - U.S.

HOBBS PRODUCTION AREA

September 25, 1972

C. D. Borland
AREA PRODUCTION MANAGER

P. O. Box 670
Hobbs, New Mexico 88240



Mr. A. L. Porter
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Administrative Order PC-329 approved commingling Silurian, Montoya and Brunson production from our R. E. Cole (NCT-A) lease, comprising Section 16, 22-S, 37-E, Lea County, New Mexico, after separately metering the production from each zone.

Since we no longer have Montoya production on this lease and the Silurian and Brunson zones are now of a marginal nature, permission is hereby requested to discontinue the metering requirements and to determine the production from each well and pool by periodic well tests. The metering equipment will remain in service.

Thank you for your consideration and if additional information is needed, please advise.

Yours truly,

A handwritten signature in cursive script that reads "C. D. Borland".

C. D. BORLAND

lwd:

