

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 12, 1968

**Marathon Oil Company
P. O. Box 220
Hobbs, New Mexico 88240**

Attention: Mr. Joe W. Younger

Administrative Order PC-341

Gentlemen:

Reference is made to your application dated December 18, 1967, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Penrose Skelly and Drinkard production on your Dayton C. Hardy Lease comprising the N/2 SE/4 of Section 20, Township 21 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 on said lease 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/DSM/esr

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

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Very truly yours,
[Signature]

[Name]

[Address]

The Commission is pleased to announce that it has received a grant from the State of New Mexico to fund a project aimed at conserving oil resources. This grant will be used to support research and development in the field of oil conservation. The project will focus on identifying and implementing effective conservation measures in the oil and gas industry. The Commission is committed to promoting the efficient use of our state's natural resources and to ensuring that our oil reserves are preserved for future generations.

The Commission is also pleased to announce that it has received a grant from the State of New Mexico to fund a project aimed at conserving oil resources. This grant will be used to support research and development in the field of oil conservation. The project will focus on identifying and implementing effective conservation measures in the oil and gas industry. The Commission is committed to promoting the efficient use of our state's natural resources and to ensuring that our oil reserves are preserved for future generations.

Very truly yours,
A. B. LORNER, Jr.
Secretary

[Signature]

Oil Conservation Commission (P.O. Box 2088) - Santa Fe, New Mexico 87501