OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

January 26, 1970

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

Attention: Mr. L. Charles Marquart

Administrative Order PC-395

Gentlemen:

Reference is made to your application dated December 4, 1969, for administrative approval of an exception to Rule 303-A of the Commission Rules and Regulations to permit the commingling of Monument Grayburg-San Andres and Monument-Tubb oil production on your Hansen State Lease comprising the NE/4 of Section 16, Township 20 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 both pools 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, Marathon Oil Company is 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.

It is the responsibility of the producer to notify the transporter of the aforesaid commingling authority.

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

January 2°, 1970

Marathon Utl Company F. O. Box 220 Robe, New Lexico 20240

Attention: Ar. h. Charles Marquart

Administrative Order 10-391

Gentlemen.

Relevance is made to your application dates secendar 4, 1359, 10s administrative approval or an exception to Rule 3.3-A of the Johnistrative approval or an exception to Rule commingling of Nontheent Grayburg-San Andres and Monument-Lubboil production on your Hansen state Lease comprising the NE/A of Section 16, lownship 20 South, Range 3/ sast, Lea Johnsy, New Mexico, allocating the production on the Day's of Deriodic Well tests. It is our underscanding that the production in both pools on said lease is of marginal nature.

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OIL CONSERVATION COMMISSION

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SANTA FE, NEW MEXICO 87501

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January 26, 1970

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

Administrative Order PC-395

Administrative Order PC-109 which previously authorized the commingling of Monument Weir-Blinebry and Monument-Tubb on the subject lease is hereby cancelled.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

Cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

O'L CONSERVATION COMMISSION F. O. SOX 2088 SANTA FE. NEW MEXICO 87501

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A. 3. PORTER, Jr. Servetary-Lirector

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cc: Oil streetvarion Commission - in he
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