

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 20, 1971

Cities Service Oil Company
P. O. Box 69
Hobbs, New Mexico 88240

Attention: Mr. E. Y. Wilder

Administrative Order PC-423

Gentlemen:

Reference is made to your application for administrative approval of an exception to Rule 303-A to permit the commingling of Drinkard and Blinebry production on your State "P" Lease, which comprises the SE/4 NW/4 and W/2 SW/4 of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that all of the production on the aforesaid lease is of marginal nature.

By the authority vested in me under the provisions of Rule 303-B of the Commission Rules and Regulations, Cities Service Oil Company is hereby authorized to commingle the production from the above-described 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 either well in the above-described pools is capable of top allowable production.

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

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/dr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering - Hobbs

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