

GOVERNOR
DAVID F. CARGO
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 29, 1968

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Attention: Mr. G. C. Jamieson

Administrative Order CTB-187

Gentlemen:

Reference is made to your application dated September 17, 1968, for administrative approval of an exception to Rule 309-A of the Commission Rules and Regulations to permit the commingling of Justis-Blinebry production from your Jack 26 Lease comprising the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 26 and your Jack 27 Lease comprising the E/2 of Section 27, Township 24 South, Range 37 East, Lea County, New Mexico, after separately metering the production from the Jack 27 Lease and determining the Jack 26 production by means of the subtraction method, provided that the production from your Jack 26 Well No. 1 will also be separately metered in order to satisfy a United States Geological Survey requirement because of a difference in royalty rate payable to that well. It is our understanding that with the exception of this special royalty rate, all ownership in both leases is identical throughout.

Under the authority granted me pursuant to Rule 309-B, you are hereby authorized to commingle the above-described production as proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities."

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

EXHIBIT A.1