



# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN  
  
LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER  
  
STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

August 18, 1970

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

Attention: Mr. L. P. Thompson

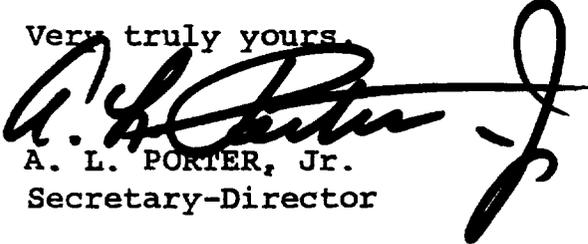
AMENDMENT  
Administrative Order CTB-187

Gentlemen:

Reference is made to your letter dated August 4, 1970, wherein you request the amendment of Administrative Order CTB-187 which authorizes the commingling of Justis-Blinebry production from your Jack 26 Lease and your Jack 27 Lease, 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 the Jack 26 Well No. 1 is also separately metered in order to satisfy a United States Geological Survey requirement because of a difference in the royalty rate payable to that well. It is our understanding that you now propose to eliminate the meter on this particular well and pay the higher royalty rate which applies to the remainder of the lease, and that the United States Geological Survey is agreeable to this proposal.

Administrative Order CTB-187 is hereby amended to delete the metering requirement for the Jack 26 B No. 1.

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.2