



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

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SECRETARY

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July 24, 1978

Gulf Oil Exploration & Production Co.
P. O. Box 670
Hobbs, New Mexico 88240

Administrative Order No. DHC-247
Scarborough Estate Well No. 8,
located in Unit L of Section 31,
Township 22 South, Range 38 East,
NMPM, Lea County, New Mexico,
Blinebry Oil & Gas Pool and South
Brunson Ellenburger Pool

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Order No. MC-1426, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, the supervisor of the Hobbs District Office of the Oil Conservation Commission shall determine the proper allocation of production from the subject well.

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY
Division Director