STATE OF NEW MEXICO



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

GOVERNOR

NICK FRANKLIN
SECRETARY

August 4, 1978

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

Attention: C. D. Borland

Administrative Order No. DHC-249 H. T. Mattern Well No. 14, Unit C, Section 7, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, Blinebry Oil and Gas and Drinkard Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject well to permit the commingling of 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 Order No. R-5114, 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.

In accordance with the provisions of Rule 303-C and Order No. R-5114, the supervisor of the Hobbs District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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

JDR/CU/og

cc: Oil Conservation Division - Hobbs