



BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

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

February 23, 1979

Texaco Inc.
Drawer 728
Hobbs, New Mexico 88240

Attention: J. V. Gannon

Administrative Order No. DHC-274
G. L. Erwin B, Well No. 5,
Unit P. Section 35, Township 24
South, Rge 37 East, NMPM, Lea County,
New Mexico, North Justis-
Fusselman and North Justis Montoya
Pools

Gentlemen:

Reference is made to your recent application for an amendment to Oil Conservation Commission Order No. R-4895, whereby the subject down-hole commingled well may be produced from the captioned pools only, and the North Justis-Ellenburger Pool zone may be abandoned.

It appearing that the subject well qualifies for approval for such commingling 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. R-4895, which authorized the initial commingling of three zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the North Justis-Montoya Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

-2-

Upper Pool: Oil 68% - Gas -0-
Lower Pool: Oil 32% - Gas 100%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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
Box 1980
Hobbs, New Mexico