OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

August 29, 1963

Mobil Oil Company P. O. Box 1800 Hobbs, New Mexico

Attention: Mr. Glen W. Barb

Amendment Administrative Order PC-7

Gentlemen:

Reference is made to your letter of August 1, 1963, wherein you have requested that Administrative Order PC-7, dated May 5, 1960, be rescinded and that commingling authority be granted to permit the sweet production from the Blinebry, Tubb, and Drinkard Pools from your Marshall Unit Lease comprising the NW/4 of Section 34, Township 21 South, Range 37 East, Lea County, New Mexico, to be commingled on the basis of periodic well tests, and further that you be permitted to commingle the sour production from the Paddock and Penrose-Skelly Pools on the same lease also on the basis of periodic well tests.

Insofar as we can determine, this order would differ from Administrative Order PC-7 only in that all commingling would be on the basis of periodic well tests whereas the previous order required separate metering for each pool prior to commingling.

Inasmuch as all production on said Marshall Unit Lease is now of marginal character, Administrative Order PC-7 is hereby amended to delete the metering requirements. The commingling installations will, however, be required to be operated in accordance with all other provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities." You are further hereby requested to notify the Commission at such time as any well in any of the aforesaid pools is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs Oil & Gas Engineering Committee - Hobbs