OIL CONSERVATION COMMISSION

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

August 4, 1969

Texaco Inc. Drawer 728 Hobbs, New Mexico 88240

Attention: Mr. J. G. Blevins, Jr.

AMENDMENT

Administrative Order PC-146

Gentlemen:

Reference is made to your letter dated June 20, 1969, requesting an amendment to Administrative Order PC-146 which, as amended, authorises the commingling of North Justis-Blinebry, Drinkard, and Devonian production on your State of New Mexico "BZ" Lease allocating the production on the basis of periodic well tests.

It is our understanding that the Devonian zone is no longer productive on this lease but that the Blinebry zone is now capable of top allowable and you therefore propose to commingle Blinebry and Drinkard production after separately metering the Blinebry zone and utilizing the subtraction method to determine the production from the Drinkard zone.

Administrative Order PC-146 is hereby amended to permit commingling as described above.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSM/esr

cc: Oil Conservation Commission - Hobbs Oil & Gas Engineering Committee - Hobbs State Land Office - Santa Fe