OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

April 2, 1964

Continental Oil Company P.O. Box 460 Hobbs, New Mexico

Attention: Mr. A. B. Slaybaugh

Administrative Order PC-200

Gentlamen:

Reference is made to your application dated February 28, 1964, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Blinebry, Brinkard, and Tubb production on your J. H. Nolan Lease comprising the NE/4 54/4 and 5/2 44/4 of Section 11, Township 21 South, Range 37 Sast, Lea County, New Hexico, after separately metering the Blinebry and Drinkard production and determining the Tubb production by means of the subtraction method.

By the authority vested in me by the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Frovided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters, and provided further, that you shall notify the Hobbs District Office of the Commission at such time as the installation is complete in order that an inspection may be made of the installation prior to putting it in use.

Commission Order No. R-2432, dated February 27, 1963, which authorized commingling of certain other production on this lease is hereby put in abeyance.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALF : DSN: 82

cc: Oil Conservation Commission (with anclosure) - Hobbs

Oil & Gas Engineering Committee - Hobbs

Oil & Gas Accounting . Santa Fe