



CITIES SERVICE OIL AND GAS CORPORATION
P. O. BOX 1919 MIDLAND, TEXAS 79702

January 16, 1986

(915) 685-5600

State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Administrative Order PC-206
Owen A Lease
Section 35-T21S-R37E
Lea County, New Mexico

Gentlemen:

Temporary approval was granted on December 19, 1985 to commingle Blinebry and Drinkard production without separate metering facilities. Permanent administrative approval is now requested to allocate this commingled oil by the well test method on the Owen A Lease. The Owen A #8 was recompleted in the Drinkard in December and a stable oil producing rate has not yet been established. A list of the commingled lease wells follows:

<u>Well #</u>	<u>Pool</u>	<u>Oil Allowable</u>	<u>Top Allowable</u>
Owen A #2B	Blinebry (Gas)	-	-
Owen A #7	Blinebry	5	107
Owen A #8	Drinkard	Marginal	142

Installing metering facilities for either oil stream would impose a serious economic burden on these wells, considering the low producing rates that are anticipated.

Your prompt consideration of this request is appreciated.

Sincerely,

Rebecca A. Egg
Petroleum Engineer
Southwest Region

RAE/dty