

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 25, 1964

**Penrose Production Company
411 Gulf Building
Midland, Texas**

Attention: Mr. Harold S. Winston

Administrative Order IC-215

Gentlemen:

Reference is made to your application dated May 22, 1964, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Blinebry and Drinkard production on your Sunshine State Lease comprising the N/2 NW/4 of Section 19, Township 21 South, Range 37 East, Lea County, New Mexico, after separately metering the Blinebry production and determining the Drinkard production by means of the subtraction method.

By the authority vested in me under 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. Provided 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 a non-reset counter on the meter, and provided further, that you shall notify the Hobbs District Office of the Commission at such time as this installation is complete in order that a field inspection may be made of the installation prior to putting it in operation.

Very truly yours,

**A. I. Porter, Jr.
Secretary-Director**

ALP:DSN:sg

**cc: Oil Conservation Commission - (with enclosure) Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Accounting Commission - Santa Fe
State Land Office - Santa Fe**

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