OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

August 19, 1964

Olsen Oils, Inc. 2808-14 Liberty Bank Building Oklahoma City 2, Oklahoma

Attention: Mr. L. F. Reneger

Administrative Order PC-224

Gentlemen:

Reference is made to your application dated August 4, 1964, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Blinebry and Tubb-Drinkard production on your Olsen-Stuart Lease comprising the NE/4 SW/4 of Section 11, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico, after separately metering the Blinebry production and determining the Tubb-Drinkard production by means of the subtraction method.

By the authority vested in me under the provisions of Rula 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pool 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 non-reset counters on the meters. Please notify the Hobbs District Office of the Commission at such time as this installation is complete in order that an inspection may be made of the installation prior to putting it in operation.

Very truly yours,

A. L. iorter, Jr. Secretary-Director

ALE: DSN: 8g

cc: Oil Conservation Commission - Hobbs

011 & Gas Engineering Committee - Hobbs

Oil & Gas Accounting Commission - Santa Pa

State Land Office - Sente Fe