OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

November 6, 1964

Phillips Petroleum Company P. O. Box 2130 Hobbs, New Mexico

Attention: Mr. W. C. Rodgers

Administrative Order PC-245

Gentlemen:

Reference is made to your application dated October 28, 1964, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Denton-Devonian and Denton-Wolfcamp production on your Denton Lease comprising the N/2 of Section 11, Township 15 South, Range 37 East, Lea County, New Nexico, after separately metering the Wolfcamp production and determining the Devonian 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 Pacilities," including the requirement for non-reset counters on the meters, and provided further, that manual, pneumatic, or electrical interlocks must be provided between the three-way valves on either side of the test heater treater. 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. PORTER, Jr. Secretary-Director

ALP/DSM/ear cc: Oil Conservation Commission (with enclosure) - Hobbs Oil & Gas Engineering Committee - Hobbs Oil & Gas Legenting Committee - Hobbs