OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

June 8, 1965

Texaco Inc.
Drawer 728
Hobbs, New Mexico

Attention: Mr. J. G. Blevins, Jr.

Administrative Order PC-266

Gentlemen:

Reference is made to your application dated May 12, 1965, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Monument-Tubb and Skaggs-Drinkard production on your E. H. B. Phillips "B" Lease comprising the NW/4 NW/4, E/2 NW/4, and W/2 NE/4 of Section 10, Township 20 South, Range 37 East, Lea County, New Mexico, after separately metering the Tubb 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 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. Porter, Jr. Secretary-Director

ALP: DSN: sg

cc: Oil Conservation Commission (with enclosure) - Hobbs

Oil & Gas Engineering Committee - Hobbs