OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

June 8, 1965

Sinclair Oil & Gas Company P. O. Box 1920 Hobbs, New Mexico

Attention: Mr. W. F. Burns

Administrative Order PC-269

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 Vacuum-Glorieta and Vacuum-Wolfcamp production on your State B-1578 ARC Lease comprising the E/2 NW/4 of Section 30, Township 17 South, Range 35 East, Lea County, New Mexico, after separately metering the Vacuum-Wolfcamp production and determining the Vacuum-Glorieta 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 provision for non-reset counters on the meters. Provided further, that you shall 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 operations.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALP: DSN: sg

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