OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE. NEW MEXICO

December 7, 1965

Tidewater 011 Company P. O. Now 249 Hobbe, New Mexico

Attention: Mr. C. L. Wade

Administrative Order PC-269

Gentlemen:

Reference is made to your application dated October 27, 1965, for administrative approval of an exception to Rule 303 (e) of the Commission Rules and Regulations to permit the commingling of Drinkard and Penrose Skelly production on your 60 D. C. Hardy Lease which comprises the 5/2 SE/4 of Section 20, Township 21 South, Range 37 East, Lea County, New Hexico, allocating the production on the basis of periodic well tests. It is our understanding that the production from each pool is of marginal mature.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorised to commingle the production from the aforesaid pools on said lease in the above-described menner. Provided, however, that the installation shall be operated in accordance with the provisions of the Commission Manual for the Installation and Operation of Commission Facilities, and provided further, that you shall notify the Commission at such time as any well in either of the aforesaid pools is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP: DEN: sg

cc: Oil Conservation Commission (with enclosure) - Hobbs Oil & Gas Engineering Committee - Hobbs