

GOVERNOR
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CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 2088
SANTA FE

February 14, 1966

Shell Oil Company
Western Division
P. O. Box 1509
Midland, Texas 79704

Attention: Mr. J. E. R. Sheeler

Administrative Order PC-295

Gentlemen:

Reference is made to your application dated January 20, 1966, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Wolfcamp and Devonian production on your State A Lease which comprises the NW/4 SW/4 of Section 2, Township 15 South, Range 37 East, Denton Field, Lea County, New Mexico, 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 Facilities," including the requirement for non-reset counters on the meters. Please notify the Hobbs District Office of the Commission at such time as the 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
State Land Office - Santa Fe