



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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SECRETARY

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August 26, 1980

Texas Pacific Oil Company, Inc.
P. O. Box 4067
Midland, Texas 79701

Attention: C. Engleman

Re: Administrative Order No. DHC-321
S. W. Eaton Well No. 11, Unit K,
Section 12, Township 25 South,
Range 37 East, NMPM, Lea County,
New Mexico, Justis-Blinbry and Justis
Tubb-Drinkard Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject well to permit the commingling of the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 6000 by top unit allowable for the Justis-Drinkard Pool.

In accordance with the provisions of Rule 303-C, the supervisor of the Hobbs District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY

Division Director

JDR/CU/og