

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 22, 1962

BTA Oil Producers
104 South Pecos
Midland, Texas

Attention: Mr. R. L. Halvorsen

Administrative Order CTB-85

Gentlemen:

Reference is made to your letter of June 20, 1962, wherein you request an exception to Rule 309-A to permit the commingling of the Grayburg-San Andres production from your Federal "Trust" Lease No. NM-04361 comprising the NW/4 NW/4 of Section 27, Township 16 South, Range 31 East, Eddy County, New Mexico, and your Federal "Trust" Lease No. NM-05186 comprising the SE/4 NW/4 of said Section 27 in a common tank battery to be located on your Federal Lease in the SW/4 NW/4 of Section 27. It is understood that there will be no intercommunication of the above "Trust" commingling tank battery and the existing Federal tank battery already located in the SW/4 NW/4 of Section 27.

Pursuant to the authority granted me under the provisions of Rule 309-B, you are hereby authorized to commingle the Grayburg-San Andres production from the above-described Trust Leases after separately metering the production from Lease No. NM-05186 and subtracting the metered total from the gross production in the tanks to determine the production from Lease No. NM-04361. Operation of the commingling facilities shall at all times be in compliance with the Commission's rules on commingling and in accordance with the Commission's "Manual for the Installation and Operation of Commingling Facilities."

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Artesia
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell