

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 2, 1968

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Coastal States Gas Producing Company
P. O. Box 235
Midland, Texas 79701

Attention: Mr. Jack R. McGraw

Administrative Order CTB-190

Gentlemen:

Reference is made to your application dated November 7, 1968, for administrative approval of an exception to Rule 309-A of the Commission Rules and Regulations to permit the commingling of Tulk-Pennsylvanian production from your State "23" and your State "26" Leases comprising the SW/4 of Section 23 and the NW/4 of Section 26, respectively, both in Township 14 South, Range 32 East, Lea County, New Mexico, after separately metering the production from the State "26" Lease and determining the State "23" production by means of the subtraction method. It is our understanding that the ownership of both leases is identical throughout, the working interest being owned by Coastal States and Midwest Oil Corporation and the royalty being common schools of the State of New Mexico. There are no overriding royalty interests.

Under the authority granted me pursuant to Rule 309-B, Coastal States Gas Producing Company is hereby authorized to commingle the above-described production as proposed, subject to 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 this installation is complete in order that an inspection may be made thereof.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

State Land Office -
Santa Fe

