

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 19, 1968

Pan American Petroleum Corporation

P. O. Box 68

Hobbs, New Mexico

Attention: Mr. V. E. Staley

AMENDMENT

Administrative Orders PC-73, PC-89, and PC-232

Gentlemen:

Reference is made to your recent letters requesting the amendment of Administrative Orders PC-73, PC-89, and PC-232 to delete the requirement for metering of production in the commingling installations authorized by said orders. We are now in receipt of consent to the amendment from the Commissioner of Public Lands.

It is our understanding that all commingled production going into your State "CK" installation pursuant to Order PC-73, all commingled production going into your Southland Royalty "A" installation pursuant to Order PC-89, and all commingled production going into your State "S" installation pursuant to Order PC-232, is now of marginal nature. Administrative Orders PC-73, PC-89, and PC-232 are therefore hereby amended to permit the allocation of production on the basis of quarterly tests in the State "S" and the Southland Royalty installations and monthly tests in the State "CK" installation. Consideration will be given to further amendment of Order PC-73 for the State "CK" Lease to provide for quarterly tests here too when the productivity of the wells has further declined.

Please notify the Commission at such time as any well in any of these installations becomes capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSH/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

