OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

November 5, 1964

Phillips Petroleum Company P. O. Box 2130 Hobbs, New Mexico

Attention: Mr. W. C. Rodgers

Administrative Order PLC-16
CANCELLATION - Administrative Order PC-181

Gentlemen:

Reference is made to your letter of October 26, 1964, wherein you request authority to commingle Vacuum-Abo, Vacuum-Pennsylvanian, and Vacuum-Holfcamp production from the following leases, all in Lea County, New Mexico:

B-1501 W/2 SE/4 Section 30, T175, R35E

B-1606 SM/4 BM/4 and BM/4 SM/4 Section 31, T178, R35E

B-1861 SW/4 SR/4 Section 31, T178, R358

B-1502 BM/4 Section 5, 7188, R35E

It is our understanding that the production from each pool will be separately metered prior to commingling, and that allocation of production to each of the several leases will be on the basis of periodic well tests. Each of the leases has a common working interest and the royalty interest is also common throughout.

Pursuant to the authority granted me under the provisions of Rule 303 (b) and Rule 309-B of the Commission Rules and Regulations, you are hereby authorised to commingle the production from the aforesaid pools and leases in the above-described manner. Provided however, that the installation shall be operated in accordance with the Commission "Manual for the Installation and Operation of Commingling

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Pacilities." including the requirement for non-reset counters on the meters. You are also requested to notify the Hobbs District Office of the Coumission at such time as the installation is complete in order that an inspection may be made of the installation prior to putting it in use.

Administrative Order PC-181, as amended, which authorised the commingling of Abo, Glorieta, and Wolfcamp production from your Well No. 87 is hereby cancelled.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DEE/car

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