

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 20, 1970

Shell Oil Company  
P. O. Box 1810  
Midland, Texas 79701

Attention: Mr. J. J. Pickell

AMENDMENT

Administrative Order PC-187

Gentlemen:

Reference is made to your letter dated August 18, 1970, wherein you request the amendment of Administrative Order PC-187 which authorizes the commingling of Drinkard and Blinebry production on your S. J. Sarkeys Lease in Section 23, Township 21 South, Range 37 East, Lea County, New Mexico, after separately metering the Blinebry production and determining the Drinkard production by means of the subtraction method. It is our understanding that all wells in both pools on the subject lease are marginal, and that you therefore propose to commingle, allocating the production to each well and to each pool on the basis of periodic well tests.

Administrative Order PC-187 is hereby amended to provide for such commingling with allocation based upon monthly well tests, provided however, that Shell Oil Company shall notify the Commission at such time as any well in either pool becomes capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/DSN/esr

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

