

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 20, 1971

Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

Attention: Mr. J. R. Enloe

Administrative Order PC-420

Gentlemen:

Reference is made for your application for administrative approval of an exception to Rule 303-A of the Commission Rules and Regulations to permit the commingling of Eunice-Grayburg and Eumont production on your H. L. Houston Lease which comprises the NE/4 of Section 7, Township 21 South, Range 36 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that all production from this lease is of marginal nature.

By the authority vested in me under the provisions of Rule 303-B of the Commission Rules and Regulations, Amerada Hess Corporation is hereby authorized to commingle the production from the aforesaid pools on the said lease in the above-described manner, provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," and provided further, that you shall notify the Commission at such time as any well in any of the aforesaid pools is capable of top allowable production.

It is the responsibility of the producer to notify the transporter of the aforesaid commingling authority.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/dr

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

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