OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

October 19, 1964

Pan American Petroleum Corporation P. O. Box 68 Hobbs, New Mexico

Attention: Mr. V. E. Staley

Administrative Order PLC-13

Gentlemen:

Reference is made to your letter of August 28, 1964, wherein you request authority to commingle House-San Andres and House-Drinkard production on your D.E. House "A", S.C. Bilberry, G.M. Cone "A", G.M. Cone "B", and State "U" Leases in Sections 2, 11, and 12, Township 19 South, Range 38 East, and Section 6, Township 19 South, Range 39 East, Lea County, New Mexico, after separately metering the production from each lease and each pool.

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 authorized to commingle the production from the aforestid 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 Facilities," including the requirement for non-reset counters on the meters. You are also requested to notify the Hobbs District Office of the Commission 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.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALP:DSN:sg

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