

*Entered December 4, 1958*  
*A.P.*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 1554  
Order No. R-1294

APPLICATION OF THE TEXAS COMPANY  
FOR PERMISSION TO INSTALL AN  
AUTOMATIC CUSTODY TRANSFER SYSTEM  
IN THE BISTI-LOWER GALLUP OIL POOL,  
SAN JUAN COUNTY, NEW MEXICO, AND  
FOR PERMISSION TO COMMINGLE THE  
PRODUCTION FROM FIVE SEPARATE LEASES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 19, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 26<sup>th</sup> day of November, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, The Texas Company, is the owner and operator of the following-described leases in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico:

Navajo Allottee	Section 14:	NW/4
	Section 15:	NE/4
Navajo Allottee "T"	Section 14:	SW/4
Navajo Allottee "O"	Section 15:	SE/4
Navajo Allottee "M"	Section 23:	NW/4

all in Township 25 North, Range 11 West, NMPM.

(3) That the applicant proposes to commingle the Bisti-Lower Gallup Oil Pool production from the above-described leases and to install automatic custody transfer equipment to handle the Bisti production from said leases.

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(4) That the applicant proposes to separately meter the production from each of said leases by means of metering separators prior to commingling.

(5) That approval of the subject application will not cause waste nor impair correlative rights provided adequate testing and measuring equipment is installed.

IT IS THEREFORE ORDERED:

(1) That the applicant, The Texas Company, be and the same is hereby authorized to install automatic custody transfer equipment to handle the production from the following-described leases in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico:

Navajo Allottee	Section 14:	NW/4
	Section 15:	NE/4
Navajo Allottee "T"	Section 14:	SW/4
Navajo Allottee "O"	Section 15:	SE/4
Navajo Allottee "M"	Section 23:	NW/4

all in Township 25 North, Range 11 West, NMPM.

(2) That the applicant be and the same is hereby authorized to commingle the production from the Bisti-Lower Gallup Oil Pool from the above-described leases after the production from each lease has been separately metered.

PROVIDED HOWEVER, That the metering separators used in the automatic custody transfer system shall be checked for accuracy at intervals and in a manner satisfactory to the Commission.

PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of all wells located on the above-described leases at least once each month to determine the individual production from each well.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
EDWIN L. MECHEM, Chairman

  
MURRAY E. MORGAN, Member

  
A. L. PORTER, Jr., Member & Secretary

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