BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 1397 Order No. R-1147

APPLICATION OF WARREN-BRADSHAW EXPLORATION COMPANY FOR AN ORDER AUTHORIZING THE PRODUCTION OF MORE THAN EIGHT WELLS INTO A COMMON TANK BATTERY AND FOR AN ORDER AUTHORIZING THE COMMINGLING OF PRODUCTION FROM TWO SEPARATE BASIC STATE OF NEW MEXICO LEASES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 19, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 3 day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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, Warren-Bradshaw Exploration Company, is the owner of two basic State of New Mexico Oil and Gas Leases, one known as the Warren-Bradshaw State "D" Lease No. B-2148, comprising the W/2 W/2, and the SE/4 SW/4 of Section 21, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, and the other known as the Warren-Bradshaw State "E" Lease No. B-2229, comprising the NE/4 of Section 29, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the production from the above-described State of New Mexico leases.
- (4) That the Commissioner of Public Lands of the State of New Mexico has approved the commingling of production from the aforementioned State of New Mexico leases.

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- (5) That the applicant proposes to produce into a common tank battery all oil wells presently completed in or here after drilled to the Grayburg formation on the applicant's above-described State 'D" and State 'E" leases.
- (6) That approval of the subject application will not cause waste nor impair correlative rights.
 - (7) That the subject application should be approved.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Warren-Bradshaw Exploration Company, be and the same is hereby authorized to commingle the production from its State 'D" Lease No. B-2148, comprising the W/2 W/2 and the SE/4 SW/4 of Section 21, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, with the production from State 'E" Lease No. B-2229, comprising the NE/4 of Section 29, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico.
- (2) That the applicant, Warren-Bradshaw Exploration Company, be and the same is hereby authorized to produce into a common tank battery all oil wells presently completed in or hereafter drilled to the Grayburg formation on the applicant's above-described State 'D" and State 'E" Leases.

PROVIDED HOWEVER, That the applicant shall install sufficient testing facilities to permit each well to be tested at least once each month;

PROVIDED HOWEVER, That the applicant shall install sufficient storage tanks to prevent the overflow and wasting of the oil produced into said common tank battery.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO GIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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