

Case No.

973

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 973

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

October 17, 1955

IN THE MATTER OF:

Application of Wilson Oil Company for an exception to Rule 309 for a centralization of tank batteries in the Wilson Pool, Lea County, New Mexico. Applicant is the owner of the following State Leases in Sections 14 and 23, Township 21 South, Range 34 East: B-11610, B-9084 and E-229. Applicant desires to produce a maximum number of fifteen wells into a tank battery presently located in the SW/4 NE/4 of Section 23, Township 21 South, Range 34 East. Applicant at present has twelve producing wells located on the above leases and has received approval to drill three additional wells as unorthodox locations on these leases.

Case No.
973

Before: Acting Chairman Warren B. Mankin

TRANSCRIPT OF HEARING

ACTING CHAIRMAN MANKIN: The next case is 973.

MR. SETH: We would want the record to show the same appearances and the same witness.

R A Y M O N D L A M B

having first been duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. SETH:

Q Mr. Lamb, you are Vice President of the Wilson Oil Company?

A That is correct.

Q Are you familiar with the application in 972?

A I am.

MR. SETH: We would like to have the letter from the Wilson Oil Company signed by Mr. Lamb, dated September 23, 1955, directed

to the Oil Conservation Commission relative to this particular case, made a part of the record.

Q Mr. Lamb, would you state please the general plan of this application, and if you have plats if you would give them.

(Marked Wilson Oil Company's Exhibits No. 1 and 2, for identification.)

Q Would you describe, please, referring to Applicant's Exhibit 1 here, the leases that are involved and the ownership of the leases?

A The leases involved are Wilson Oil Company's State No. B-9084, B-11610, and E-229. These leases are owned by the Wilson Oil Company and there are no outside interests other than the state common school land.

Q The common school fund is the sole beneficiary?

A That is right.

Q Are they separately colored on the plat?

A They are.

Q State if you would please, the number of wells that are presently within the area covered by the application.

A There are twelve producing wells on the tracts identified, and cover a total of 16 proration units.

Q Have you received approval from the Commission to permit you to drill additional wells in unorthodox locations?

A We have under Order R-243-A, permission to drill a number of unorthodox locations.

Q Is it the intention of the applicant that these wells, if drilled, be flowed into the common tankage which is the subject of this application?

A That is correct, but in no event will the number exceed 15.

Q Would you next describe the location of the battery?

A The battery is in approximately the center of the section, a little to the northeast of the center. I don't have the exact footage, but it is located more by elevation than by a footage description.

Q From what formation or pool do these wells produce?

A They are all producing in the Wilson Pool from the Yates-Seven Rivers formation.

Q How much storage is there at this location?

A We will have a total of 4,000 barrels of storage which will carry eight and a half days of production.

Q Do you have facilities and tankage that will permit the testing of production from each well individually from time to time?

A We will have adequate testing facilities, permanent and portable equipment in which we can test each and every well.

Q Is that of a type that is commonly used in this area?

A Yes.

Q Are your methods similar to those used by other operators?

A Yes.

Q Are all of the wells within this area full allowable wells?

A They are all top allowable wells.

Q Have you made application or requested approval by the Commissioner of Public Lands?

A I have. It was received in a letter dated October 3, 1955 from the Commissioner of Public Lands.

Q Did he give his approval? A He did.

MR. SETH: We would like to offer Applicant's Exhibits 1 and 2.

ACTING CHAIRMAN MANKIN: Any objection to the entering of

Exhibits 1 and 2 of the applicant? If not they will be so entered in the record in this case. Do you have anything else, Mr. Seth?

MR. SETH: Just one more question.

Q In this case did you also furnish a list of the offset operators?

A I did under date of September 23, 1955.

MR. SETH: I believe that is all the questions.

A I have one other thing which I might add in that we have established a location which we refer to as our No. 43, originally identified as 21-A under the unorthodox location, permission from the Commission of R-243.

MR. NUTTER: Where is that?

A 1950 feet from the east line and 1520 feet from the south line in Section 23.

ACTING CHAIRMAN MANKIN: That is so shown on your plat, Exhibit No. 1?

A That is right.

ACTING CHAIRMAN MANKIN: Which differs from the plat which is entered with your application?

A That is right, by that location.

CROSS EXAMINATION

By MR. NUTTER:

Q That puts it down in the southeast quarter of the southeast quarter, doesn't it?

A No. It will be in the northwest of the southeast.

Q Up in the same quarter as Well No. 21?

A That is correct.

By MR. GURLEY:

Q You stated that you have storage capacity for how many days?

A Eight and a half days.

Q All the wells including your 43?

A That is right. I might add that 43 when it is completed, will not add to the allowable set for the three leases.

By MR. KITTS:

Q Into what tankage are the wells now producing?

A They are falling into the three separate batteries at the location designated. Actually there are three batteries at this location. It certainly will be more efficient and economical for us to set it up as one complete battery for the entire unit.

MR. NUTTER: The three batteries are for the same three separate leases?

A That is correct.

MR. GURLEY: You intend to use the equipment for the batteries?

A Yes. Actually we won't need to add to, we will have excess.

MR. GURLEY: Do you have any other wells other than shown here producing into the three batteries at this time?

A No. The only other wells which we anticipate are the ones which are the unorthodox locations which were approved. I might add there are two others approved on these leases.

ACTING CHAIRMAN MANKIN: Any other questions of the witness?

By MR. NUTTER:

Q What testing facilities will you have?

A As far as separators, we will have the permanent separator with the capacity to carry the full load of the oil, one test separator, which we can produce the oil into any tank through our manifold portable testing unit that can be moved to each well, and the one hundred barrel test tank which we can move to each well.

In other words, in this case, test three wells at one time.

Q Test three wells as well as maintain your production from the other wells?

A That is right.

MR. NUTTER: I believe that is all I have.

ACTING CHAIRMAN MANKIN: No other questions? The witness may be excused.

(Witness excused.)

MR. KITTS: I think the record should show that that letter from Wilson Oil will be made a part of the record.

ACTING CHAIRMAN MANKIN: Yes, the letter will be made a part of the record. If there is nothing else we will take the case under advisement. The hearing is adjourned.

C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in the matter of Case No. 973 were taken by me on October 17, 1955, that the same is a true and correct record to the best of my knowledge, skill and ability.


Reporter

Case 973

Wilson Oil Company

INCORPORATED UNDER THE LAWS OF NEW MEXICO



P. O. BOX 627
SANTA FE, NEW MEXICO
TELEPHONE 3-7141

September 23, 1955

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

In re: Request for Approval of
Centralization of Tankage
Wilson State Leases B-11610
B-9084, E-229, Secs. 14 and
23, T21S, R34E, Wilson Pool,
Lea County, New Mexico

Gentlemen:

The Wilson Oil Company, applicant herein, is the owner-operator of New Mexico State Leases B-11610, B-9084, and E-229. The royalty under each of said leases is held for the Common School Fund.

For a number of years and for reasons of convenience, efficiency and Economy the oil from the above leases has been produced into tank batteries at a common location in the SW $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 23-21-34. From this location it has been possible to gravity the oil into Texas-New Mexico Pipe Line Company's pump station. The above lease holdings and the location of the tank batteries are shown on the attached plat.

It should be noted that all twelve of our wells located on the above contiguous leases and shown on the plat are producing from the Yates-Seven Rivers Wilson Pool, a common reservoir. The leases, or portion of leases, involved in this application include sixteen proration units with the above mentioned twelve producing wells. Under Order R-243, Case 605, the New Mexico Oil Conservation Commission granted the applicant permission to drill as many as three unorthodox locations on the subject leases. It is the intent of the Operator to drill these unorthodox locations as alternate wells. However, in no event will there be more than fifteen producing wells carried in the centralized battery.

Page -2-
September 23, 1955

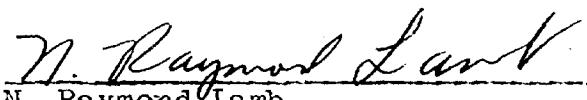
New Mexico Oil Conservation Commission

Although the location of the battery and the leases produced therein have been shown on our C-110 reports filed with the Commission, and therefore have been a matter of notice to the Commission, it is our feeling that the location of the tankage should be brought formally to the attention of the regulatory bodies for approval.

Accordingly, it is respectfully requested that the Commission, after proper notice and hearing before a legally appointed Examiner, grant an exception to statewide Rule 309 and, for reasons of added convenience, efficiency and economy, approve the existing location and/or relocation of the tank batteries and permit centralization and the commingling of oil produced from the twelve wells located on leases listed above.

Please be assured that adequate tankage, testing facilities, and other equipment will be maintained so that production from each of the twelve existing wells can be accurately determined at reasonable intervals.

I hereby certify that the information contained herein and on the attached plat is true and complete to the best of my knowledge.


N. Raymond Lamb
Vice President
Wilson Oil Company

STATE OF NEW MEXICO)
COUNTY OF EDDY)

Before me, the undersigned, a Notary Public in and for said County and State, on this 23 day of September, 1955, personally appeared N. RAYMOND LAMB, to me known to be the identical person who subscribed the name of WILSON OIL COMPANY to the within and foregoing instrument as its Vice President, and duly acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation for the uses, purposes and consideration therein expressed and set forth.

Given under my hand and seal of office the day and year last above written.

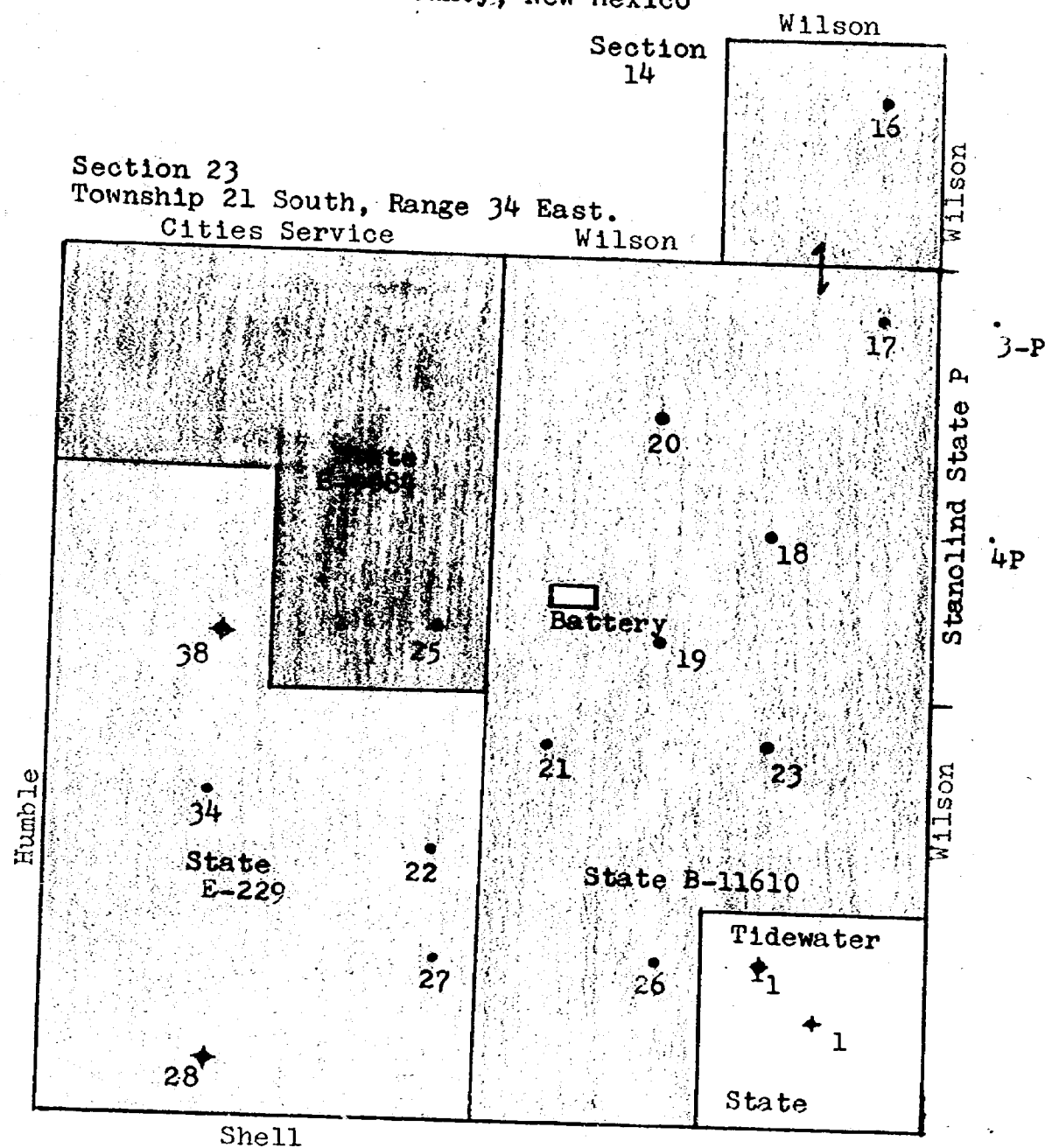
My commission expires:

4/22/59


Notary Public

Case No. _____
Order No. _____

WILSON OIL COMPANY
Wilson Pool
Lea County, New Mexico



WILSON OIL COMPANY
Producing Leases
No. E-229, B-11610, B-9084
7-20-55 By N.R.L.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 28, 1955

C
O
P
Y

Wilson Oil Company
P.O. Box 627
Santa Fe, New Mexico

Gentlemen:

We enclose a copy of each of the following Orders issued
November 21, 1955, by the Oil Conservation Commission:

Order R-720 in Case 972
Order R-721 in Case 973.

Very truly yours,

W. B. Macey
Secretary - Director

WEM:brp
Encls.

Case No. 973
Order No.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
App. Exhibit No. 1
CASE 973

WILSON OIL COMPANY
Wilson Pool
Lea County, New Mexico

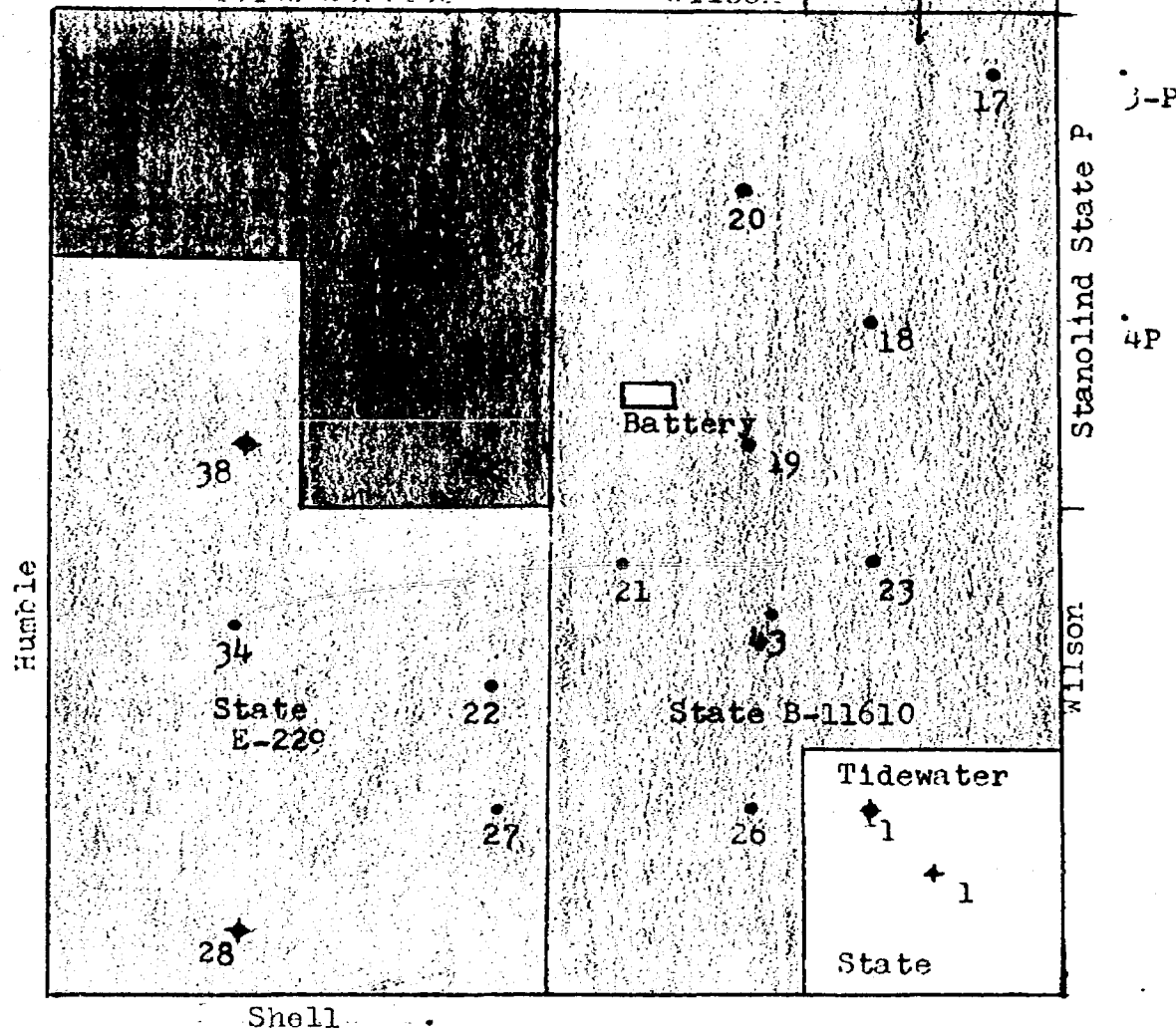
Section
14

Wilson

Section 23
Township 21 South, Range 34 East.

Cities Service

Wilson



WILSON OIL COMPANY
Producing Leases
No. E-229, B-11610, B-9084

7-20-55 By N.R.L.

E. S. WALSH
COMMISSIONER OF

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
CASE 993 EXHIBIT No. 2

Wilson Oil Company

INCORPORATED UNDER THE LAWS OF NEW MEXICO



P. O. BOX 627
SANTA FE, NEW MEXICO
TELEPHONE 3-7141

September 23, 1955

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

In re: Request for Approval of
Centralization of tankage
Wilson State Leases B-11610,
B-9084, E-229, Sec. 14 and
23, T21S, R34E, Wilson Pool,
Lea County, New Mexico.

Gentlemen:

Please find attached, Wilson Oil Company application
on subject matter, accompanied by a plat and copy of Wilson
Oil Company's letter to Commissioner of Public Lands.

According to our records, the offset lease holders
and their addresses are as follows:

Humble Oil Company
Attn: J. W. House
Box 1600
Midland, Texas

Stanolind Oil & Gas Co.
Attn: C. L. Kelly
Box 899
Roswell, N. Mexico

The Texas Company
Box 1270
Midland, Texas

Cities Service Oil Company
Box 97
Attn: D. D. Bodie
Hobbs, New Mexico

Tide Water Assoc. Oil Company
Box 731
Midland, Texas

Sincerely yours,

WILSON OIL COMPANY

N. Raymond Lamb
N. Raymond Lamb
Vice President

NRL:lg

*Case 272
Examiner
Hearing
@ 9 AM on 10/20/55*

Case 973

September 23, 1955

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

In re: Request for Approval of
Centralization of tankage
Wilson State Leases B-11610,
B-9084, E-229, Sec. 14 and
23, T21S, R34E, Wilson Pool,
Lea County, New Mexico.

Gentlemen:

Please find attached, Wilson Oil Company application
on subject matter, accompanied by a plat and copy of Wilson
Oil Company's letter to Commissioner of Public Lands.

According to our records, the offset lease holders
and their addresses are as follows:

Humble Oil Company
Attn: J. W. House
Box 1600
Midland, Texas

Stanolind Oil & Gas Co.
Attn: G. L. Kelly
Box 899
Roswell, N. Mexico

The Texas Company
Box 1270
Midland, Texas

Cities Service Oil Company
Box 97
Attn: D. D. Bodie
Hobbs, New Mexico

Tide Water Assoc. Oil Company
Box 731
Midland, Texas

Sincerely yours,

WILSON OIL COMPANY

N. Raymond Lamb
N. Raymond Lamb
Vice President

NRL:lg

September 23, 1955

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

In re: Request for Approval of
Centralization of Tankage
Wilson State Leases B-11610
B-9084, E-22, Secs. 14 and
23, T21S-R34E, Wilson Pool,
Lea County, New Mexico.

Gentlemen:

The Wilson Oil Company, applicant herein, is the Owner-Operator of New Mexico State Leases B-11610, B-9084, and E-229. The royalty under each of said leases is held for the Common School Fund.

For a number of years and for reasons of convenience, efficiency and economy the oil from the above leases has been produced into tank batteries at a common location in the SW 1/4 NE 1/4, Sec. 23-21-34. From this location it has been possible to gravity the oil into Texas-New Mexico Pipe Line Company's pump station. The above lease holdings and the location of the tank batteries are shown on the attached plat.

It should be noted that all twelve of our wells located on the above contiguous leases and shown on the plat are producing from the Yates-Seven Rivers Wilson Pool, a common reservoir. The leases, or portion of leases, involved in this application include sixteen proration units with the above mentioned twelve producing wells. Under Order R-243, Case 605, the New Mexico Oil Conservation Commission granted the applicant permission to drill as many as three unorthodox locations on the subject leases. It is the intent of the operator to drill these unorthodox locations as alternate wells. However, in no event will there be more than fifteen producing wells carried in the centralized battery.

Page -2-
September 23, 1955

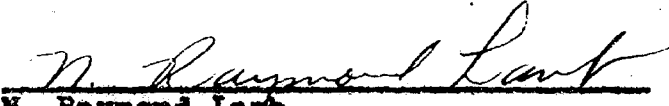
New Mexico Oil Conservation Commission

Although the location of the battery and the leases produced therein have been shown on our O-110 reports filed with the Commission, and therefore have been a matter of notice to the Commission, it is our feeling that the location of the tankage should be brought formally to the attention of the regulatory bodies for approval.

Accordingly, it is respectfully requested that the Commission, after proper notice and hearing before a legally appointed Examiner, grant an exception to statewide Rule 309 and, for reasons of added convenience, efficiency and economy, approve the existing location and/or relocation of the tank batteries and permit centralization and the commingling of oil produced from the twelve wells located on leases listed above.

Please be assured that adequate tankage, testing facilities, and other equipment will be maintained so that production from each of the twelve existing wells can be accurately determined at reasonable intervals.

I hereby certify that the information contained herein and on the attached plat is true and complete to the best of my knowledge.


N. Raymond Lamb
Vice President
Wilson Oil Company

STATE OF NEW MEXICO }
COUNTY OF EDDY }

Before me, the undersigned, a Notary Public in and for said County and State, on this 23 day of September, 1955, personally appeared N. RAYMOND LAMB, to me known to be the identical person who subscribed the name of WILSON OIL COMPANY to the within and foregoing instrument as its Vice President, and duly acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation for the uses, purposes and consideration therein expressed and set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires:

4/22/59


Notary Public

WILSON OIL COMPANY
Wilson Pool
Lea County, New Mexico

Wilson

Section 23
Township 21 South, Range 34 East.

Cities Service

Wilson

Section 14

Section 23
Township 21 South, Range 34 East.

Cities Service

Wilson

Wilson

Stanolind State P

Wilson

Shell

State B-9084

State E-229

Battery

State B-11610

Tidewater

State

16

17

18

19

20

21

22

23

24

25

26

27

28

34

38

1

1

3-P

4P

WILSON OIL COMPANY
Producing Leases
No. E-229, B-11610, B-9084
7-20-55 By N.R.L.

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 CON-
SIDERING:

Recommendation
Application
CASE NO. 973
ORDER NO. _____

THE APPLICATION OF WILSON OIL
COMPANY FOR EXCEPTION TO RULE
NO. 309 FOR CENTRALIZATION OF
TANK BATTERIES IN THE WILSON
POOL, LEA COUNTY, NEW MEXICO,
THE PRODUCTION TO BE COMMINGLED
IN SUCH TANK BATTERIES TO BE
PRODUCED FROM STATE LEASES
B-11610, B-9084 AND E-229,
SAME BEING SECTIONS 14 AND 23,
TWP. 21 SOUTH, RANGE 34 EAST.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 A. M. before Warren W. Mankin, Examiner, on October 20, 1955, the said Examiner having been duly designated and appointed by the Commission to hear the above entitled case, and the Examiner has further caused a record of the proceedings to be made and transcribed and has certified the same to the Commission for its consideration, together with the Examiner's report and recommendation.

NOW, on this _____ day of October, 1955, the Commission, a quorum being present, having considered the transcription of testimony and record made by and under the supervision of Warren W. Mankin, Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the acreage concerned, located in the Wilson Pool, Lea County, New Mexico, which is the subject matter of the application,

-2-

Case No. 973

Order No. _____

is land owned by the State of New Mexico, in trust for the Common Schools and that the royalty under the said State Leases B-11610, B-9084 and E-229 goes to the Common School Fund.

(3) That the said leases and acreage, subject matter of this application, are contiguous and are held by the applicant under oil and gas leases issued by the Commissioner of Public Lands of New Mexico and numbered B-11610, B-9084 and E-229.

(4) That applicant has adequate tankage and other equipment upon said leases so that production from each well may be accurately determined.

(5) The Commissioner of Public Lands has given permission to commingle oil produced from the above three state leases in a common tank battery.

(6) That by reason of common ownership, of both working and mineral interests, practical convenience and economic benefit, and by reason of the approval of the Commissioner of Public Lands to the commingling, exception to Rule 309 of the Commission's rules should be granted.

IT IS THEREFORE ORDERED:

That the application of Wilson Oil Company for exception to Rule 309 of this Commission be and the same is hereby granted and approved and that Wilson Oil Company be, and it is hereby authorized to establish, maintain and operate a central tank battery for State Leases B-11610, B-9084 and E-229, the tank battery to be located in the SW $\frac{1}{4}$, NE $\frac{1}{4}$, Section 23, Twp. 21 South, Range 34 East.

IT IS FURTHER ORDERED:

That production from Applicant's existing wells may be produced into said tank battery and that production from additional wells at unorthodox locations, as heretofore approved by this Commission by Order No. R-243, may likewise be run into said centralized tank battery.

PROVIDED, HOWEVER, That adequate tankage and other equipment be maintained in connection with such central tank battery in order that specific production from each well, and of future wells, can be accurately determined at reasonable intervals, or upon request of the Commission, and,

PROVIDED FURTHER, That no well now or hereafter connected with such common tank battery be permitted to produce at a rate in excess of top allowable as fixed for the Wilson Pool.

That any well connected with the Wilson Pool be permitted to produce at a rate in excess of top allowable as fixed for the Wilson Pool.
Comm *502 of 4 Feb 1913*

-3-
Case No. 973
Order No. _____

IT IS FURTHER ORDERED: That jurisdiction of this case be retained for purpose of revocation or modification under changing conditions.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

S E A L

**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. 973
Order No. R-721**

**THE APPLICATION OF WILSON OIL
COMPANY FOR EXCEPTION TO RULE
309 (a) FOR THE CENTRALIZATION OF
TANKAGE FOR A MAXIMUM OF 15 WELLS
TO BE PRODUCED FROM THE WILSON
STATE LEASES B-11610, B-9084 AND E-229,
SECTIONS 14 AND 23, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, NMPM, IN THE WILSON
POOL IN LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 20, 1955, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner, appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 21st day of November, 1955, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application, the transcript of testimony and record, and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

1. That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

2. That the applicant, Wilson Oil Company, is the owner and operator of New Mexico State Leases B-11610, B-9084 and E-229, located in Sections 14 and 23, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.

3. That there are 12 existing wells on the above-mentioned contiguous leases producing from the Wilson Pool, a common reservoir and that said leases include 16 possible proration units with the above-mentioned 12 producing wells. That applicant presently is producing all the oil from its above described leases into tank batteries at a common location in the SW/4 NE/4 Section 23, Township 21 South, Range 34 East.

Order No. R-721

4. That under Order R-243, Case 605, applicant was granted permission to drill as many as 3 unorthodox locations on the subject leases.

5. That it is the intent of applicant to drill these unorthodox locations as alternate wells but in no event will there be more than 15 producing wells producing into the centralized battery.

6. That for reasons of efficiency and economy, applicant desires to use common tankage for the storage and measurement of oil produced from the Wilson Pool, underlying the above described leases.

7. That the central tank battery has suitable and adequate facilities for the storage and handling of the production from a maximum of 15 wells on the above-described leases, and that suitable equipment is installed whereby the production from each well on the above-described lands may be accurately determined as prescribed by the Rules and Regulations of the Commission.

8. That the above described acreage is of one common royalty interest, the same being the State of New Mexico.

9. That by reason of practical convenience and economy, and in absence of objection by the Commissioner of Public Lands of New Mexico, exception to Rule 309 (a) should be granted.

10. That no objection by the Commissioner of Public Lands has been entered.

IT IS THEREFORE ORDERED:

That the application of Wilson Oil Company for an exception to Rule 309 (a) be, and the same is, hereby granted and approved. That Wilson Oil Company be and it is hereby authorized to establish, maintain and operate a central tank battery located in the SW/4 NE/4 Section 23, Township 21 South, Range 34 East, to receive production from a maximum of 15 wells to be completed in the Wilson Pool on the following described state leases: B-11610, B-9084 and E-229 and consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
SE/4 SE/4 Section 14
W/2, NE/4, N/2 SE/4, SW/4 SE/4 Section 23

Wilson Oil Company is further hereby authorized and granted permission to relocate the said existing tank battery in such a manner that a maximum of fifteen wells will be produced into one central tank battery located on said leases.

IT IS FURTHER ORDERED: That production from applicant's existing wells will be produced into said tank battery and that production from additional wells at unorthodox locations, as heretofore approved by this Commission by Order No. R-243, the total number of wells not to exceed a maximum of fifteen, may likewise be run into said centralized tank battery.

-3-

Order No. R-721

PROVIDED HOWEVER, That adequate tankage and proper equipment be maintained in connection with such central tank battery so as to permit specific production tests of each connected well at reasonable intervals or upon request of the Commission, or of the Commissioner of Public Lands, and

PROVIDED FURTHER, That any well now or hereafter connected to such tank battery will produce its allowable in full compliance with Rule 502 of the Rules and Regulations of the Commission.

PROVIDED FURTHER, That for administrative purposes the effective date of this order will be November 1, 1955.

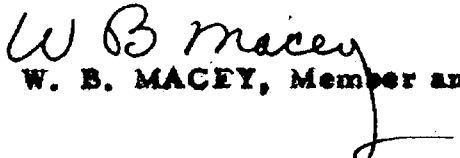
IT IS FURTHER ORDERED: That jurisdiction of this case is hereby retained for the purpose of revocation and modification under changing conditions.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary



12/