

*Entered October 29, 1958
R.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. 1518
Order No. R-1266

APPLICATION OF MAGNOLIA PETROLEUM
COMPANY FOR PERMISSION TO COMMINGLE
THE PRODUCTION FROM TWO SEPARATE
OIL POOLS 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 2, 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 25th day of October, 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, Magnolia Petroleum Company is the owner and operator of the Stephens Estate Lease, consisting of the SW/4 of Section 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the Stephens Estate Well No. 1, located in the NW/4 SW/4 of said Section 24 and presently completed in the Wantz-Abo Pool; Said well is to be recompleted as an oil-oil dual completion in the Wantz-Abo Pool and Terry-Blinebry Oil Pool under the authority granted in Administrative Order DC-651.

(4) That the applicant is the owner and operator of the Stephens Estate Well No. 2, located in the SW/4 SW/4 of said Section 24 and completed in the Terry-Blinebry Oil Pool.

-2-

Case No. 1518
Order No. R-1266

(5) That the applicant proposes to commingle the oil produced from the Wantz-Abo Pool by its said Stephens Estate Well No. 1 with the oil produced from the Terry-Blinebry Oil Pool by its said Stephens Estate Well Nos. 1 and 2.

(6) That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That applicant be and the same is hereby authorized to commingle the oil produced from the Wantz-Abo Pool by its Stephens Estate Well No. 1, located in the NW/4 SW/4 of Section 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, with the oil produced from the Terry-Blinebry Oil Pool by its said Stephens Estate Well No. 1 and its Stephens Estate Well No. 2, located in the SW/4 SW/4 of said Section 24.

(2) That the production from each zone shall be separately metered by means of dump-type meters or positive displacement meters prior to being commingled, and the mechanical installation shall be so designed as to make it physically impossible to commingle Wantz-Abo production with Terry-Blinebry production prior to being separately metered.

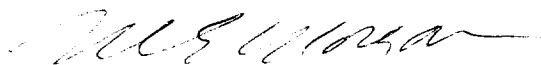
(3) That the above-described meters shall be checked for accuracy at intervals and in a manner satisfactory to the Commission.

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

S E A L

ir/