

Entered December 4, 1958
C.L.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. 1542
Order No. R-1288

APPLICATION OF THE ATLANTIC REFINING
COMPANY FOR AN ORDER AUTHORIZING THE
PRODUCTION OF MORE THAN SIXTEEN OIL
WELLS INTO A COMMON TANK BATTERY IN
THE HORSESHOE-GALLUP OIL POOL, SAN
JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 6, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 21st day of November, 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, The Atlantic Refining Company, is the owner of Navajo Tribal Oil and Gas Lease Contract No. 14-20-603-734 consisting of the following-described acreage in San Juan County, New Mexico:

| <u>TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM</u> | |
|---|--|
| Section 29: | All |
| Section 30: | All |
| Section 31: | All |
| Section 32: | All |
| Section 28: | That portion lying within the Navajo Indian Reservation |
| Section 33: | That portion lying within the Navajo Indian Reservation. |

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(3) That the applicant proposes to produce into a common tank battery all oil wells presently completed in or hereafter drilled to the Horseshoe-Gallup Oil Pool on the above-described acreage.

(4) That approval of the subject application will not cause waste nor impair correlative rights provided adequate testing equipment and storage facilities are installed.

IT IS THEREFORE ORDERED:

That the applicant, Atlantic Refining 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 Horseshoe-Gallup Oil Pool on the applicant's Navajo Tribal Oil and Gas Lease Contract No. 14-20-603-734 consisting of the following-described acreage in San Juan County, New Mexico:

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM

Section 29: All

Section 30: All

Section 31: All

Section 32: All

Section 28: That portion lying within the Navajo Indian Reservation

Section 33: That portion lying within the Navajo Indian Reservation

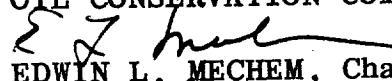
PROVIDED HOWEVER, That the applicant shall install sufficient testing facilities to permit each well to be tested at least once each month.


PROVIDED FURTHER, That the meters which will be installed in the above system shall be tested for accuracy at intervals and in a manner satisfactory to the Commission.

PROVIDED FURTHER, That the applicant shall install sufficient storage tanks to prevent the over-flow and wasting of oil produced into said common tank battery.

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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