

*Entered February 5, 1959
A.K.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. 1584
Order No. R-1330

APPLICATION OF TIDEWATER OIL COMPANY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM SEVERAL SEPARATE OIL
POOLS FROM TWO SEPARATE LEASES 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 January 22, 1959, 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 2nd. day of February, 1959, 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, Tidewater Oil Company, is the owner and operator of the Coates "C" lease comprising the E/2, the SE/4 NW/4 and the NE/4 SW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the Coates "D" lease comprising the SE/4 SW/4 of said Section 24.

(4) That applicant was authorized by Order No. R-1297 to commingle the Ellenburger, McKee, Fusselman and Montoya production from said Coates "C" lease, as well as the Blinbry production if it proves to be an intermediate grade crude. Applicant was further authorized to commingle the Drinkard and Langlie-Mattix production from said Coates "C" lease, as well as the Blinbry production if it proves to be sour crude.

(5) That applicant seeks permission to commingle the Fusselman production from the said Coates "D" lease with the commingled production of the intermediate grade crudes from its said Coates "C" lease.

(6) That applicant further seeks permission to commingle the Drinkard and Langlie-Mattix production from said Coates "D" lease, as well as the Blinebry production if it proves to be a sour crude, with the commingled production of these sour crudes from its said Coates "C" lease.

(7) That the applicant proposes to separately meter the production from each pool prior to commingling.

(8) That approval of the subject application will not cause waste nor impair correlative rights provided that the production from each pool is separately metered prior to commingling and provided further that adequate testing equipment and storage facilities are installed.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tidewater Oil Company, be and the same is hereby authorized to commingle the Fusselman production from its Coates "D" lease comprising the SE/4 SW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, with the Ellenburger, Fusselman, McKee, and Montoya production, as well as the Blinebry production if it proves to be an intermediate grade crude, from its Coates "C" lease comprising the E/2, the SE/4 NW/4 and the NE/4 SW/4 of said Section 24.

(2) That the applicant be and the same is hereby authorized to commingle the Drinkard and Langlie-Mattix production from said Coates "D" lease, as well as to the Blinebry production if it proves to be a sour crude, with the commingled production of these sour crudes from said Coates "C" lease.

PROVIDED HOWEVER, That the production from each of said pools shall be separately metered prior to commingling and said meters shall be checked for accuracy upon initial installation and thereafter at intervals not to exceed one month until further order of the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

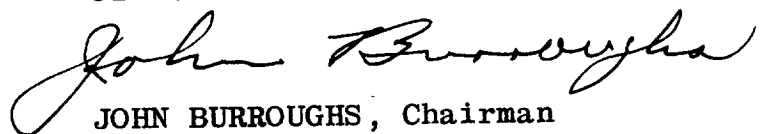
PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of all wells located on said Coates "C" and "D" leases at least once each month to determine

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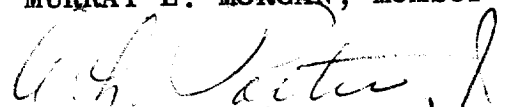
the individual production from each zone of each of said wells.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

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