

Entered March 18, 1959
J.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. 1588
Order No. R-1337

APPLICATION OF THE ATLANTIC REFINING
COMPANY FOR PERMISSION TO COMMINGLE
THE PRODUCTION FROM SEVERAL 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 February 4, 1959, 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 18th day of February, 1959, 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, The Atlantic Refining Company, is the owner and operator of the State "Y" lease comprising the N/2 NE/4 and the SE/4 NE/4 of Section 25, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to commingle the Ellenburger, McKee, Fusselman, and Montoya production, as well as the Blinbry and Drinkard production if they prove to be intermediate grade crudes, from all wells presently completed or hereafter drilled on said State "Y" lease.

(4) That if the production from any of the above-mentioned formations proves to be sour crude, it will not be commingled with the intermediate grade crudes.

(5) That the applicant proposes to separately meter the production from each formation prior to commingling.

-2-

Case No. 1588

Order No. R-1337

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

IT IS THEREFORE ORDERED:

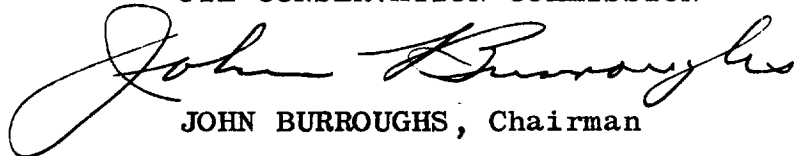
That the applicant, The Atlantic Refining Company, be and the same is hereby authorized to commingle the Ellenburger, McKee, Fusselman, and Montoya production, as well as the Blinebry and Drinkard production if they prove to be intermediate crudes, from all wells presently completed or hereafter drilled on the State "Y" lease comprising the N/2 NE/4 and the SE/4 NE/4 of Section 25, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from each of said pools shall be separately metered prior to commingling and such meters shall be checked for accuracy once each month until further order of the Secretary-Director and the results of such tests shall be furnished to the Commission.

PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of all wells located on said State "Y" lease at least once each month to determine the individual production from each zone of each of said wells.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

S E A L

ir/