

*Entered June 7, 1959
A.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. 1656
Order No. R-1402

APPLICATION OF SKELLY OIL
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 May 6, 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 25th day of May, 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, Skelly Oil Company, is the owner and operator of the Hobbs "A" Lease comprising the NW/4 of Section 30, Township 25 South, Range 38 East, Justis Field, Lea County, New Mexico.

(3) That the applicant proposes to commingle the intermediate grade crude production from the Justis-Ellenburger Pool, the Justis-McKee Pool, the Justis-Fusselman Pool, the Justis-Montoya Pool, and the Justis-Blinbry Pool from all wells presently completed or hereafter drilled on said Hobbs "A" Lease.

(4) That the applicant does not propose to commingle any production which may prove to be sour crude with intermediate grade crude production.

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

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

That the applicant, Skelly Oil Company, be and the same is hereby authorized to commingle the oil production from the Justis-Ellenburger Pool, the Justis-McKee Pool, the Justis-Fusselman Pool, the Justis-Montoya Pool, and the Justis-Blinebry Pool from all wells presently completed or hereafter drilled on the Hobbs "A" Lease, comprising the NW/4 of Section 30, Township 25 South, Range 38 East, Justis Field, Lea County, New Mexico.

PROVIDED HOWEVER, That if the oil production from any of the above-mentioned pools underlying the Justis Field on said Hobbs "A" Lease proves to be sour crude, it shall not be commingled with the intermediate grade crudes.

PROVIDED FURTHER, That the production from each of said pools shall be separately metered by means of positive displacement meters or dump-type meters prior to commingling.

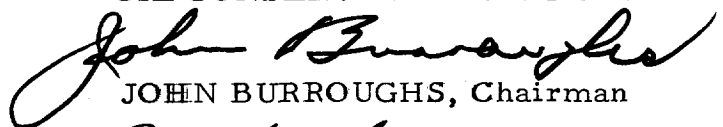
PROVIDED FURTHER, That meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

PROVIDED FURTHER, That meters shall be checked for accuracy at least once each month until further direction by 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 facilities to permit the testing of all wells located on said Hobbs "A" Lease at least once each month to determine the individual production from each zone of each well.

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

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