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Entered July 24, 1959

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. 1682
Order No. R-1440

APPLICATION OF CONTINENTAL OIL
COMPANY FOR PERMISSION TO COM-
MINGLE THE PRODUCTION FROM TWO
SEPARATE POOLS IN LEA COUNTY,
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on June 3, 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 15th day of July, 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, Continental Oil Company, is the co-owner and operator of the Lockhart A-17 Lease comprising, among other lands, the E/2 NE/4 and the NE/4 SE/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to commingle in a common tank battery the oil produced from the Blinebry Oil Pool with the oil produced from the Tubb Gas Pool from all wells located on the above-described acreage.

(4) That approval of the subject application will neither cause waste nor impair correlative rights provided the oil production from each of said pools is separately metered prior to commingling.

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IT IS THEREFORE ORDERED:

That the applicant, Continental Oil Company, be and the same is hereby authorized to commingle the oil produced from the Blinebry Oil Pool with the oil produced from the Tubb Gas Pool from all wells presently completed or hereafter drilled on the E/2 NE/4 and the NE/4 SE/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That in the event either formation makes water, the production shall be passed through suitable treating facilities prior to metering.

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

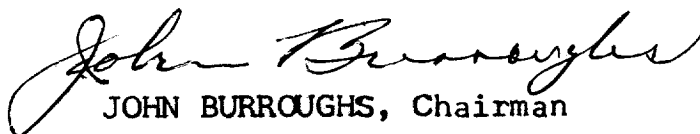
PROVIDED FURTHER, That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

PROVIDED FURTHER, That meters shall be checked for accuracy at intervals not to exceed one 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 the E/2 NE/4 and the NE/4 SE/4 of said Section 17 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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