

*Entered August 14, 1959
N.D.*

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. 1708
Order No. R-1445

APPLICATION OF THE CONTINENTAL
OIL COMPANY FOR PERMISSION TO
COMMINGLE THE PRODUCTION FROM
THREE SEPARATE LEASES 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 July 8, 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 31st 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 owner and operator of the M. M. Wilder Lease, comprising the NW/4, NW/4 NE/4, S/2 NE/4, and S/2 of Section 25 and all of Section 26, and the E. L. Bradley 35 Lease, comprising the N/2 N/2 of Section 35, and the E. Payne 35 Lease, comprising Lots 1, 2, 3, and 4 of Section 35, all in Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That applicant proposes to commingle the Delaware production from the aforesaid leases into a common tank battery located in the SW/4 of said Section 25, after separately metering the production from each lease.

(4) That approval of the subject application will neither cause waste nor impair correlative rights, provided adequate treating, testing, and storage facilities are installed.

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IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for an order authorizing it to commingle the Delaware production from its M. M. Wilder Lease, comprising NW/4, NW/4 NE/4, S/2 NE/4, and S/2 of Section 25 and all of Section 26, and from its E. L. Bradley 35 Lease, comprising the N/2 N/2 of Section 35, and from its E. Payne 35 Lease, comprising Lots 1, 2, 3, and 4 of Section 35, all in Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, be and the same is hereby granted.

PROVIDED HOWEVER, That the production from each of the above-described leases shall be separately metered prior to commingling.

PROVIDED FURTHER, That in the event that any of the wells on any of the aforesaid leases produces water, the production from said lease shall be adequately treated prior to metering and commingling.

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

PROVIDED FURTHER, That not more than 16 wells shall be produced into the common tank battery.

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.

(2) That all 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 calibrations filed with the Commission on the Commission form entitled "Meter Test Report."

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

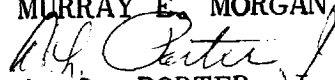
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STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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