

*Entered September 17, 1959
A.H.O.*

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. 1754
Order No. R-1482

APPLICATION OF SKELLY OIL COMPANY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO 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 September 2, 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 14th day of September, 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 W/2 SW/4 and NE/4 SW/4 of Section 3, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to commingle the production from the Langlie-Mattix Oil Pool and from an undesignated Blinebry oil pool from the four wells presently completed on the above-described acreage without separately metering the production from each pool.

(4) That of the four wells presently completed on the subject acreage, three Langlie-Mattix wells are capable of producing a total of about 9 barrels of oil per day and the one Blinebry well is capable of producing about 10 barrels of oil per day.

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(5) That because of the marginal character of the producing wells on the subject acreage, the applicant's request for permission to commingle, without prior metering, should be granted, provided that a monthly test is conducted on all wells located on the subject acreage to determine the individual production from each well.

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

IT IS THEREFORE ORDERED:

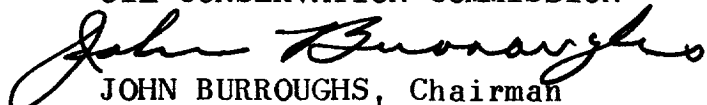
That the applicant, Skelly Oil Company, be and the same is hereby authorized to commingle the oil production from the Langlie-Mattix Pool and from an undesignated Blinbry pool from all wells presently completed on the W/2 SW/4 and the NE/4 SW/4 of Section 3, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, without separately metering the production from each of said pools prior to commingling.

PROVIDED HOWEVER, That if any well on the subject acreage shall at any time in the future become capable of producing in excess of top unit allowable for its producing zone, the authority granted by this order shall terminate unless the production from each of the two pools is separately measured prior to commingling.

PROVIDED FURTHER, That the applicant shall conduct monthly tests of all wells located on the subject acreage to determine the individual production from 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, Member & Secretary

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