Entered ?'aren 1, 1760

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. 1868 Order No. R-1545-A

APPLICATION OF HAMILTON DOME OIL COMPANY LTD. FOR PERMISSION TO COMMINGLE THE PRODUCTION FROM THREE SEPARATE 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 25, 1960, 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 <u>26th</u> day of February, 1960, 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 is the owner and operator of the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the Tubb, Drinkard, and Fusselman production from all wells presently drilled or hereafter completed on the above-described acreage, after separately metering the production from each pool.
- (4) That in order to prevent inadvertent commingling of oil prior to metering, there should be no lines connecting the metering separators proposed to be used.
- (5) 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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(6) That Order No. R-1545 authorizing the commingling of Tubb and Blinebry production from the subject acreage should be cancelled and superseded by the order issued in this case.

IT IS THEREFORE ORDERED:

- (1) That Order No. R-1545 be and the same is hereby cancelled and superseded.
- (2) That the applicant be and the same is hereby authorized to commingle the Tubb, Drinkard, and Fusselman sweet crude production from all wells presently drilled or hereafter completed on the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from each pool shall be separately metered prior to commingling.

PROVIDED FURTHER, That there shall be no lines connecting the metering separators to be used in the subject installation.

(3) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

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 calibration filed with the Commission on the Commission form entitled "Meter Test Report."

(4) That the applicant shall install adequate testing facilities to permit the testing of all wells now drilled or hereafter completed on the above-described acreage at least once each month to determine the individual production from each well.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

SEAL JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

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