

Entered September 11, 1960
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. 2044
Order No. R-1605-A

APPLICATION OF GULF OIL CORPORATION
FOR AN AMENDMENT OF ORDER NO. R-1605
TO INCLUDE THE PRODUCTION FROM AN
ADDITIONAL LEASE IN ITS AUTOMATIC
CUSTODY TRANSFER SYSTEM, PEARL-QUEEN
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 10, 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 23rd day of August, 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 in Order No. R-1605, the applicant, Gulf Oil Corporation, was authorized to commingle the production from four separate leases and to install an automatic custody transfer system in the Pearl-Queen Pool, Lea County, New Mexico, to handle said commingled production.

(3) That the applicant proposes an amendment of said Order No. R-1605, to permit the commingling of the production from its Lea-State "AR" Lease, consisting of the S/2 of Section 33 and the SW/4 of Section 34, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, with the production from the four leases for which commingling was approved in Order No. R-1605, and it further proposes to extend the automatic custody transfer authorization approved in said order to include the handling of the Pearl-Queen Pool production from the said Lea-State "AR" Lease.

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(4) That adequate storage facilities should be provided to accomodate a minimum of one and one-half day's total allowable from the subject leases.

IT IS THEREFORE ORDERED:

(1) That Order No. R-1605 be and the same is hereby amended to permit the commingling of the Pearl-Queen Pool production from the applicant's Lea-State "AR" Lease, consisting of the S/2 of Section 33 and the SW/4 of Section 34, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, with the production from the four leases for which commingling was approved in said Order No. R-1605, and to permit the extension of the automatic custody transfer system approved in said order to include the handling of the Pearl-Queen Pool production from the said Lea-State "AR" Lease.

PROVIDED HOWEVER, That adequate storage facilities shall be provided to accomodate a minimum of one and one-half day's total allowable from the subject leases.

PROVIDED FURTHER, That prior to such commingling the operator shall separately meter the production from its Lea-State "AQ" Lease, comprising the N/2 of Section 32, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, and shall also separately meter the combined production from the other four leases, to-wit:

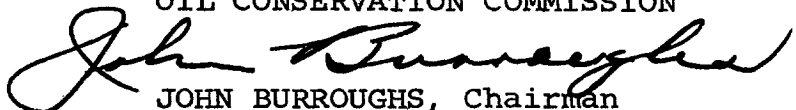
Lea-State "AP" Lease, E/2 of Section 30
Lea-State "BG" Lease, N/2 of Section 33
Lea-State "IH" Lease, W/2 SW/4 and W/2 SE/4
of Section 29
Lea-State "AR" Lease, S/2 of Section 33

all in Township 19 South, Range 35 East.


(2) That all other provisions contained in said Order No. R-1605 shall remain in full force and effect.

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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