

*Entered March 18, 1960
LSP*

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. 1916
Order No. R-1630

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR PERMISSION TO COMMINGLE
THE PRODUCTION FROM TWO SEPARATE
LEASES IN EDDY COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 1:30 o'clock p.m. on March 9, 1960, 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 14th day of March, 1960, 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 is the owner of a Federal lease covering the NW/4 of Section 9, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.
- (3) That Hondo Oil & Gas Company is the owner of a Federal lease covering the SW/4 of said Section 9.
- (4) That all of the above-described acreage is committed to the Chalk Bluff Draw Unit of which the applicant is the unit operator.
- (5) That the applicant proposes to commingle the Empire-Abo Pool production from all wells presently completed or hereafter drilled on that portion of the two above-described leases comprising the E/2 W/2 of said Section 9 after separately metering said Hondo lease production and passing said Humble lease production through a production separator.

(6) That this application is made necessary by the fact that while all the subject acreage is within the Chalk Bluff Draw Unit, a participating area for Empire-Abo Pool production has not yet been established.

(7) That each of the two wells presently completed on the subject acreage is capable of producing its allowable in the Empire-Abo Pool.

(8) That under the terms of the Chalk Bluff Draw Unit Agreement, when an initial participating area for Empire-Abo Pool production is established, participation will be applied retroactively to the date of the first Empire-Abo production.

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

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to commingle in a common tank battery the Empire-Abo Pool production from all wells presently completed or hereafter drilled on that portion of the Humble Federal lease comprising the E/2 NW/4 of Section 9 and from that portion of the Hondo Federal lease comprising the E/2 SW/4 of Section 9, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, after separately metering said Hondo lease production and passing said Humble lease production through a production separator.

PROVIDED HOWEVER, That the applicant shall provide adequate facilities to permit the testing of all Empire-Abo Pool wells located on the subject acreage at least once each month to determine the individual production from each well.

IT IS FURTHER ORDERED:

That all meters shall be operated and maintained in such a manner as to insure an accurate measurement of the liquid hydrocarbon production at all times.

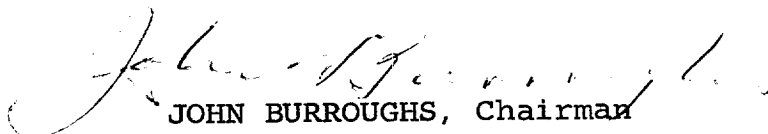
That meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director.

That 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."

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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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