

*Entered May 4, 1960
LLF*

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. 1932
Order No. R-1651

APPLICATION OF GREAT WESTERN DRILLING
COMPANY FOR APPROVAL OF AN AUTOMATIC
CUSTODY TRANSFER SYSTEM IN THE CAPROCK-
QUEEN POOL, LEA AND CHAVES COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 6, 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 19th day of April, 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, Great Western Drilling Company, is the operator of the Rock Queen Unit, Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.
- (3) That the applicant proposes to install an automatic custody transfer system to handle the Caprock-Queen Pool production from all wells presently completed or hereafter drilled on said Rock Queen Unit.
- (4) That the previous use of automatic custody transfer equipment similar to that proposed by the applicant has shown that such equipment is a reliable and economic means of transferring the custody of oil and that the use of such equipment should be permitted.
- (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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IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to install automatic custody transfer equipment to handle the Caprock-Queen Pool production from all wells presently completed or hereafter drilled on its Rock Queen Unit, Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.

PROVIDED HOWEVER, That the applicant shall install adequate facilities to permit the accurate testing of all wells on said Rock Queen Unit at least once each month to determine the individual production from each well. Applicant shall also comply with the testing requirements of Rule 701 as revised by an Order entered on April 4, 1960.

PROVIDED FURTHER, That the above-described system shall be so equipped as to prevent the undue waste of oil in the event of malfunction or flow-line break.

IT IS FURTHER ORDERED:

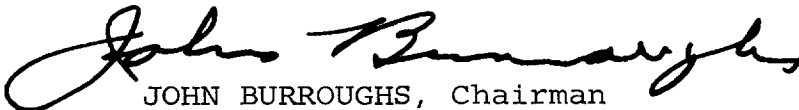
That all meters used in the above-described automatic custody transfer system shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

That all meters shall be checked for accuracy at least once each 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."

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