Entered November 7, 1960 ASP.

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. 2107 Order No. R-1809

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR PERMISSION TO COMMINGLE THE PRODUCTION FROM TWO SEPARATE POOLS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 19, 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 24th day of October, 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, Pan American Petroleum Corporation, is the owner and operator of the W. H. Fort "A" Lease comprising the SE/4 of Section 25, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks permission to commingle the Denton (Devonian) Pool production with the Denton (Wolfcamp) Pool production from two wells located on the above-described W. H. Fort "A" Lease, both of which are presently completed in the Devonian formation and one of which is to be recompleted in the Wolfcamp formation.
- (4) That the Devonian well from which the production is proposed to be commingled is a marginal well and it is expected that the Wolfcamp well will also be marginal.
- (5) That the ownership of the said W. H. Fort "A" Lease is common at all depths.

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IT IS THEREFORE ORDERED:

That the applicant, Pan American Petroleum Corporation, be and the same is hereby authorized to commingle the Denton (Devonian) Pool production with the Denton (Wolfcamp) Pool production from two wells on the W. H. Fort "A" Lease, comprising the SE/4 of Section 25, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the applicant shall notify the Commission's Santa Fe Office in the event that either well on the subject lease becomes a top allowable well in either producing zone, at which time this case may be reopened.

PROVIDED FURTHER, That the applicant shall install adequate facilities to permit the testing of all wells on the said W. H. Fort "A" Lease at least once each month 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

MURRAY E. MORGAN, Member

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

S E A L