

Entered November 1, 1960
A.R.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. 2084
Order No. R-1813

APPLICATION OF GULF OIL CORPORATION
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM SEVERAL SEPARATE
POOLS AND FOR PERMISSION TO INSTALL
TWO AUTOMATIC CUSTODY TRANSFER
SYSTEMS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 25, 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, Gulf Oil Corporation, is the owner and operator of the Harry Leonard "F" Lease consisting of the E/2 of Section 2, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks permission to commingle the production from the Brunson-Ellenburger Pool with the production from the Hare Pool from all wells on the above-described Harry Leonard "F" Lease.

(4) That the production from the Brunson-Ellenburger Pool should be limited to the allowable from that pool as shown by a non-reset type meter.

(5) That the applicant further proposes to install an automatic custody transfer system to handle said commingled production.

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(6) That the applicant further proposes to install a separate automatic custody transfer system to handle the production from the Terry-Blinebry Pool from all wells on the said Harry Leonard "F" Lease.

(7) 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, provided adequate safety features are incorporated therein.

(8) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, be and the same is hereby authorized to commingle the production from the Brunson-Ellenburger Pool with production from the Hare Pool from all wells on the Harry Leonard "F" Lease consisting of the E/2 of Section 2, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from the Brunson-Ellenburger Pool shall be limited to the allowable from that pool as shown by a non-reset type meter.

PROVIDED FURTHER, That should any well on the subject lease become capable of producing a top allowable from the Hare Pool, the applicant shall notify the Commission's Santa Fe Office, at which time the case may be reopened.

(2) That the applicant be and the same is hereby authorized to install automatic custody transfer equipment to handle said commingled production.

(3) That the applicant be and the same is hereby authorized to install a separate automatic custody transfer system to handle the production from the Terry-Blinebry Pool from all wells on the said Harry Leonard "F" Lease.

PROVIDED HOWEVER, That the applicant shall install adequate facilities to permit the testing of all wells located on the above-described Harry Leonard "F" Lease at least once each month to determine the individual production from each well.

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IT IS FURTHER ORDERED:

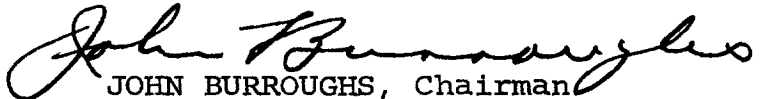
That all meters used in the above-described automatic custody transfer system shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

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

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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