BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

R.L.P.

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2196 Order No. R-1893

APPLICATION OF GULF OIL 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 February 23, 1961, 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 <u>3rd</u> day of March, 1961, 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 the applicant, Gulf Oil Corporation, is the owner and operator of the Ollie I. Boyd Lease, comprising the S/2 SW/4, NE/4 SW/4 and SW/4 SE/4 of Section 23, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to commingle the oil production from the Drinkard and Langlie-Mattix Pools from all wells presently completed or hereafter drilled on the above-described Ollie I. Boyd Lease without separately metering the production from each pool.

(4) That all wells from which the production is proposed to be commingled are low marginal wells.

(5) That the ownership of the above-described lease is common at all depths.

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

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IT IS THEREFORE ORDERED:

That the applicant, Gulf Oil Corporation, be and the same is hereby authorized to commingle the oil produced from the Drinkard and Langlie-Mattix Pools from all wells presently completed or hereafter drilled on the Ollie I. Boyd Lease comprising the S/2 SW/4, NE/4 SW/4 and SW/4 SE/4 of Section 23, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, without separately metering the production from each pool.

<u>PROVIDED HOWEVER</u>, That the applicant shall notify the Commission's Santa Fe Office in the event any Drinkard or Langlie-Mattix well on said Ollie I. Boyd Lease becomes capable of making top unit allowable, at which time this case will be reopened.

<u>PROVIDED FURTHER</u>, That the applicant shall install adequate facilities to permit the testing of all wells on the said Ollie I. Boyd 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

EDWIN L. MECHEM, Chairman

wal S. WALKER, Member

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

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