

*Entered May 23, 1961
A.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. 2266
Order No. R-1978

APPLICATION OF NEARBURG & INGRAM
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE
LEASES AND 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 May 4, 1961, 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 17th day of May, 1961, 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, Nearburg & Ingram, is the owner and operator of the Keating Lease, comprising the NE/4 of Section 34, and of the Midhurst Lease, comprising the NW/4 of Section 35, all in Township 12 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks permission to commingle, after separate measurement, the Southwest Gladiola-Pennsylvanian Pool production from all wells on the above-described Keating Lease with the Southwest Gladiola-Pennsylvanian and Southwest Gladiola-Devonian Pool production from all wells on the above-described Midhurst Lease.
- (4) That the applicant should be required to separately meter each zone of each lease prior to commingling with meters equipped with non-reset totalizers.
- (5) That in order to attribute bad oil to the proper zone and to the proper lease, samplers should be installed on each zone on each lease in conjunction with each of the zone meters.

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(6) That a sampler and a meter equipped with a non-reset totalizer should be installed on the return line from the bad oil tank.

(7) That inasmuch as an industry committee has been appointed to study all phases of commingling and to recommend minimum standards to prevent abuses thereof, it may be that this installation, at a later date, will have to be altered to conform to such standards as the Commission may prescribe.

IT IS THEREFORE ORDERED:

That the applicant, Nearburg & Ingram, is hereby authorized to commingle the Southwest Gladiola-Pennsylvanian Pool production from all wells on its Keating Lease, comprising the NE/4 of Section 34 with the Southwest Gladiola-Pennsylvanian and the Southwest Gladiola-Devonian Pool production from all wells on its Midhurst Lease, comprising the NW/4 of Section 35, all in Township 12 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That each zone of each lease shall be separately metered prior to commingling with meters equipped with non-reset totalizers.

PROVIDED FURTHER, That samplers shall be installed on each zone of each lease in conjunction with each of the zone meters.

PROVIDED FURTHER, That a sampler and a meter equipped with a non-reset totalizer shall be installed on the return line from the bad oil tank.

PROVIDED FURTHER, That it may be that this installation, at a later date, will have to be altered to conform to such standards as the Commission may prescribe.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

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