

*Entered November 2, 1961
JLP*

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. 2350
Order No. R-2080

APPLICATION OF SOCONY MOBIL
OIL COMPANY, INC. FOR AN
EXCEPTION TO RULE 303, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 9, 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 9th day of October, 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, Socony Mobil Oil Company, Inc., is the owner and operator of the Stephens Estate Lease, comprising the SW/4 of Section 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks permission to commingle the production from the Terry-Blinbry and Wantz-Abo Pools, and from other zones which may become productive on the above-described Stephens Estate Lease, and to allocate production on the basis of quarterly well tests.

(4) That all wells on the subject lease are marginal in all pools from which they are producing at the present time.

(5) That inasmuch as administrative procedures are available whereby permission to commingle additional zones may be obtained when needed, that portion of the application seeking commingling authorization for zones which may become productive should be denied.

-2-

CASE No. 2350

Order No. R-2080

(6) That the remainder of the subject application should be approved; provided, however, that in the event any well in either pool should become capable of producing top allowable, the Secretary-Director of the Commission may require that meters be installed on both zones.

(7) That the subject installation should be operated in accordance with the Commission Manual for the Installation and Operation of Commingling Facilities.

IT IS THEREFORE ORDERED:

(1) That the applicant, Socony Mobil Oil Company, Inc., is hereby authorized to commingle the production from the Terry-Blinebry and Wantz-Abo Pools on its Stephens Estate Lease, comprising the SW/4 of Section 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the commingled production shall be allocated on the basis of quarterly well tests, and the results of such tests shall be filed with the Commission.

PROVIDED FURTHER, That in the event any well in either pool should become capable of producing top allowable, the operator shall notify the Commission of such fact and the Secretary-Director may require that meters be installed on both zones.

PROVIDED FURTHER, That the subject installation shall be operated in accordance with the Commission Manual for the Installation and Operation of Commingling Facilities.


(2) That the portion of the subject application seeking permission to commingle additional zones which may become productive on said Stephens Estate Lease is hereby denied.

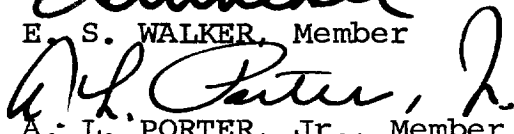
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

SEAL

esr/