

Entered December 3, 1962
R.L.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. 2353
Order No. R-2153

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 26th., day of December, 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 Brunson-Argo Lease, comprising the NE/4 of Section 9 and the NW/4 of Section 10, all in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks permission to commingle the production from the various pools on the above-described Brunson-Argo Lease into four batteries located on said lease, designated as the Sour Battery West, Sweet Battery West, Sour Battery East, and Sweet Battery East.

(4) That the applicant proposes to commingle the production from the Penrose-Skelly Pool with the production from the Paddock and McCormack Pools in its Sour Battery West at such time as production is obtained in the Paddock and McCormack Pools.

(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 production from the Paddock and McCormack Pools in the Sour Battery West should be denied.

(6) That the applicant proposes to commingle the liquid hydrocarbon production from the Blinebry, Hare, and Drinkard Pools in its Sweet Battery West, and further to commingle the production from the Wantz-Abo Pool in said battery when production from that pool is obtained, metering the production from the Hare Pool only.

(7) That inasmuch as the common test facilities proposed for the Sweet Battery West do not conform in principle to the basic standards established in the Commission Manual for the Installation and Operation of Commingling Facilities and inasmuch as some of the wells producing into this battery are capable of producing top allowable, that part of the subject application concerning the Sweet Battery West should be denied.

(8) That the applicant proposes to commingle the production from the Penrose-Skelly and Paddock Pools in its Sour Battery East, and to allocate production on the basis of quarterly well tests.

(9) That all wells producing into the Sour Battery East are marginal in all pools from which they are producing at the present time.

(10) That the portion of the subject application concerning the Sour Battery East 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.

(11) That the applicant proposes to commingle the liquid hydrocarbon production from the Blinebry, Brunson, and Drinkard Pools in its Sweet Battery East, and further proposes to commingle said production with the production from the Hare and Wantz-Abo Pools when those pools become productive.

(12) That all oil wells in the Blinebry, Brunson, and Drinkard Pools producing into the Sweet Battery East are marginal.

(13) That the applicant should be authorized to commingle the liquid hydrocarbon production from the Blinebry, Brunson, and Drinkard Pools in its Sweet Battery East, and to allocate production on the basis of quarterly well tests. That inasmuch as administrative procedures are available whereby permission to commingle additional zones may be obtained when needed, that portion of the subject application seeking commingling authorization for the Hare and Wantz-Abo Pools in the Sweet Battery East should be denied.

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

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IT IS THEREFORE ORDERED:

(1) That the application of Socony Mobil Oil Company, Inc. seeking authorization to commingle production from the various pools on its Brunson-Argo Lease, comprising the NE/4 of Section 9 and the NW/4 of Section 10, all in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby approved, in part, as follows:

- (a) Applicant is authorized to commingle the production from the Penrose-Skelly and Paddock Pools in its Sour Battery East.
- (b) Applicant is authorized to commingle the liquid hydrocarbon production from the Blinebry, Brunson, and Drinkard Pools in its Sweet Battery East.

PROVIDED HOWEVER, That the commingled production in each battery 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 any 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 all zones.

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

(2) That in all other respects the subject application 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

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