

Entered March 18, 1964
O.S.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. 2923
Order No. R-2653

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR A SPECIAL GAS-LIFT GAS
ALLOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
October 30, 1963, at Santa Fe, New Mexico, before Examiner
Daniel S. Nutter.

NOW, on this 17th day of February, 1964, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, 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, Cities Service Oil Company, seeks
authority to produce up to 20 MCF per day of Blinebry gas from
its State "S" Well No. 1 in Unit E of Section 15, Township 21
South, Range 37 East, NMPM, Lea County, New Mexico, and to
utilize said gas for Hare Pool gas-lift operations on its State
"S" Well No. 4 in said Unit E.

(3) That the applicant proposes to meter the gas produced
from its State "S" Well No. 1 and to charge said gas to the
Blinebry Oil Pool casinghead gas production from its State "S"
Well No. 6 in said Unit E.

(4) That approval of the subject application will prevent
waste and protect correlative rights, provided the applicant is
required to separately measure the gas production from its State
"S" Well No. 1 and its State "S" Well No. 6, the total combined
gas production from both wells is restricted to top unit allowable
for the Blinebry Oil Pool times the limiting gas-oil ratio for
said pool, and the Blinebry Oil Pool allowable for Unit E of said
Section 15 is determined on the basis of the combined Blinebry
gas production each month from the State "S" Well No. 1 and the
State "S" Well No. 6.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Cities Service Oil Company, is hereby authorized to produce up to 20 MCF per day of Blinebry gas from its State "S" Well No. 1 in Unit E of Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, and to utilize said gas for Hare Pool gas-lift operations on its State "S" Well No. 4 in said Unit E;

PROVIDED HOWEVER, that the gas production from the State "S" Well No. 1 shall be metered prior to utilization for gas-lift operations and shall be charged to the Blinebry Oil Pool casinghead gas production from applicant's State "S" Well No. 6 in said Unit E;

PROVIDED FURTHER, that the gas production from applicant's State "S" Well No. 6 in Unit E of said Section 15 shall be metered prior to commingling with gas from any other well;

PROVIDED FURTHER, that the total combined gas production from applicant's State "S" Well No. 1 and applicant's State "S" Well No. 6 shall not exceed top unit allowable for the Blinebry Oil Pool times the limiting gas-oil ratio for said pool.

(2) That the Blinebry Oil Pool allowable for Unit E of said Section 15 shall be determined each month on the basis of the combined Blinebry gas production from applicant's State "S" Well No. 1 and from applicant's State "S" Well No. 6.

(3) That the applicant shall report the Blinebry gas production from its State "S" Well No. 1 and from its State "S" Well No. 6 to the Commission's Hobbs District Office on a form prescribed by the Commission and that said production shall be reported on or before the 15th day of each month.

(4) That the applicant shall retain all gas measurement charts from the subject wells and shall make the same available for examination upon request by any representative of the Commission.

(5) 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

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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

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