

Entered cause 1, 1965
R. B.

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. 3248
Order No. R-2912

APPLICATION OF TEXACO INC.
FOR COMMINGLING, 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 12, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of June, 1965, 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, Texaco Inc., seeks authority to commingle Drinkard production from Tract 1 of its W. L. Nix Lease comprising the W/2 SE/4 and E/2 SW/4 of Section 17, and from Tract 2 of said lease comprising the W/2 NE/4 and E/2 NW/4 of Section 20, all in Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, allocating the production to each tract on the basis of periodic well tests.

(3) That the applicant also seeks an administrative procedure whereby other zones that may be proven productive on said W. L. Nix Lease may be included in the commingling installation, determining the production from each pool in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities." Allocation within pools but between Tract 1 and Tract 2 of the subject lease would be on the basis of periodic well tests.

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(4) That approval of the subject application will result in economic savings to the operator, prevent waste, and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Drinkard production from Tract 1 of its W. L. Nix Lease comprising the W/2 SE/4 and E/2 SW/4 of Section 17, and from Tract 2 of said lease comprising the W/2 NE/4 and E/2 NW/4 of Section 20, all in Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, allocating the production to each tract on the basis of quarter-annual well tests.

(2) That an administrative procedure is hereby established whereby the Secretary-Director of the Commission may approve the inclusion of other productive zones in the commingling installation authorized herein, subject to the pool-commingling provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities." Allocation within each given pool but between Tract 1 and Tract 2 of the W. L. Nix Lease shall be on the basis of quarterly well tests.

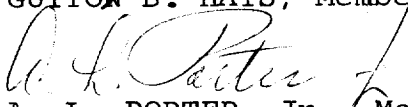
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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