

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. 494
ORDER NO. R-314

THE APPLICATION OF CITIES PRODUCTION
CORPORATION FOR AUTHORIZATION TO
COMMINGLE IN A COMMON TANK BATTERY
OIL PRODUCED FROM ITS STATE 'AE' AND
'AH' LEASES IN THE LOVINGTON-ABO POOL,
LEA COUNTY, NEW MEXICO, AS AN EXCEPTION
TO COMMISSION RULE 309.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on March 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission".

NOW, on this 10th day of April, 1953, the Commission, a quorum being present, having considered the testimony adduced and exhibits introduced, 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.
2. That the acreage located in the Lovington-Abo Pool, Lea County, New Mexico, the subject matter of the application herein, is all state-owned, held under State Lease B-7766 and State Lease E-1678, of the applicant, and the separate tracts are contiguous with common institutional ownership of minerals.
3. That for further identification the applicant terms the tracts its "AE" and "AH" leases, respectively.
4. That by reason of practical convenience and economy, and in absence of objection by the Commissioner of Public Lands of New Mexico, exception to Rule 309 should be granted, provided ample facilities are provided for testing specifically the production of each connected well.

IT IS THEREFORE ORDERED:

That the application of Cities Production Company for an exception to Rule 309, be and the same hereby is approved, and that Cities Production Corporation be and it hereby is authorized to establish, maintain and operate a central tank battery to receive production from wells completed in the Lovington-Abo Pool on its State "AE" and State "AH" leases, being described as:

Township 16 South, Range 36 East, NMPM
W/2 SW/4 Section 36

and

Township 16 South, Range 36 East, NMPM
SE/4 NE/4, NE/4 SE/4 Section 35

respectively, in the Lovington-Abo Pool, Lea County, New Mexico;

PROVIDED, HOWEVER, That adequate tankage and pertinent equipment are installed and maintained so as to permit specific production tests of each and every connected well at reasonable intervals or upon request of the Commission, or of the Commissioner of Public Lands, and

PROVIDED FURTHER, That no well now or hereafter connected to such tank battery be permitted to produce at a rate in excess of top allowable as now or hereafter may be fixed for the Lovington-Abo Pool.

IT IS FURTHER ORDERED, That jurisdiction of this case is hereby retained for purpose of revocation and modification under change conditions.

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

R. R. Spurrier, Secretary

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