

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

Case No. 9057
Order NO. R-3960-A

APPLICATION OF NEW MEXICO PETROLEUM
COMPANY TO AMEND DIVISION ORDER NO.
R-3960 AND TO TRANSFER OWNERSHIP OF
ITS OIL TREATING PLANT APPROVED BY
SAID ORDER, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 7, February 4, and March 4 1987, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 12th day of March, 1987, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) Division Order No. R-3960, dated May 12, 1970, authorized New Mexico Petroleum to install and operate a chemical and heating process type oil treating plant for the purpose of treating and reclaiming sediment oil obtained from tank bottoms and waste pits at a site in the SE/4 of Section 25, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico.

(3) The applicant, New Mexico Petroleum Company, seeks to amend Division Order No. R-3960 to reflect the proper location of its oil treating plant which is actually located in the SW/4 SE/4 of Section 7, Township 11 South, Range 34 East, NMPM, Lea County, New Mexico.

(4) Although said order showed the incorrect location of the subject plant site, the Hobbs District Office of the Division was aware of the actual site location.

Case No. 9057
Order No. R-3960-A
-2-

(5) Amending said Order No. R-3960 will not cause or create any adverse administrative reporting procedures for either the Division or operator.

(6) Said Order should be amended at this time to reflect the proper site location as described above in Finding Paragraph No. (3) and the correction set forth should be entered as of May 12, 1970.

(7) Applicant further seeks to transfer ownership of New Mexico Petroleum Company from Michael D. Caudill and Roland Caudill to Jess Keeth pursuant to Division General Rule 312.

(8) By letter dated January 20, 1987, the Division Director administratively approved and recognized this transfer.

(9) The portion of this application seeking such transfer of ownership is unnecessary at this time and should therefore be dismissed.

IT IS THEREFORE ORDERED THAT:

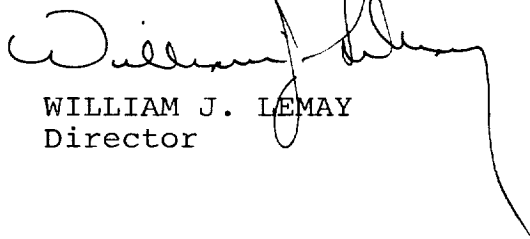
(1) The portion of the application seeking to transfer ownership of New Mexico Petroleum Company from Michael D. Caudill and Roland Caudill to Jess Keeth pursuant to Division General Rules 312 is hereby dismissed.

(2) All references to the location of the oil treating plant site in Finding Paragraph No. (2) on page 1 and Decretory Paragraph No. (1) on page 2 of Division Order No. R-3960, dated May 12, 1970 are hereby amended to read "the SW/4 SE/4 of Section 7, Township 11 South, Range 34 East, NMPM, Lea County, New Mexico".

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L