

Entered October 8, 1971
A.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. 4592
Order No. R-4079-A

APPLICATION OF GULF OIL CORPORATION
FOR AMENDMENT OF ORDER PERMITTING
COMMINGLING OF PRODUCTION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of October, 1971, 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 by Order No. R-4079, dated December 8, 1970, the applicant, Gulf Oil Corporation, was authorized to commingle prior to measurement production from the Hobbs (Grayburg-San Andres) and Hobbs-Blinbry Pools from wells on the W. D. Grimes NCT-B Lease comprising the NW/4 NE/4, E/2 NE/4, and NE/4 SE/4 of Section 33, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico; to commingle prior to measurement the aforementioned commingled production and production from the Hobbs (Grayburg-San Andres) Pool from wells on the W. D. Grimes NCT-A Lease comprising the W/2 of Section 32, same Township and Range; and to allocate the commingled production to each of the subject wells, pools, and leases on the basis of monthly well tests.

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(3) That the applicant seeks the amendment of said Order No. R-4079 to permit the allocation of the commingled production on the basis of bimonthly tests rather than monthly tests.

(4) That it is extremely difficult to complete the testing requirements on a monthly basis.

(5) That allocation of the commingled production on the basis of bimonthly tests will not cause waste and will protect correlative rights.

(6) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order (3) of Order No. R-4079 is hereby amended to read in its entirety as follows:

"(3) That the commingled production authorized in Orders (1) and (2), above, shall be allocated to each of the subject wells, pools, and leases on the basis of bimonthly well tests."

(2) That Order (4) of Order No. R-4079 is hereby amended to read in its entirety as follows:

"(4) That the facilities for the commingling of production authorized in Orders (1) and (2), above, shall be installed and maintained in a manner that will permit a determination of the producing capacity of each of the subject wells on the above-described leases at least bimonthly.

(3) That Order (5) of Order No. R-4079 is hereby amended to read in its entirety as follows:

"(5) That the applicant shall conduct bimonthly productivity tests on each of the subject wells on the above-described leases and shall file the results of said tests with the Commission's District Office at Hobbs, New Mexico, on Commission Form C-116 bimonthly, all until further order of the Commission.

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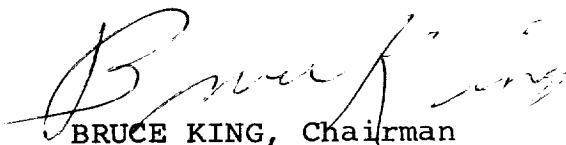
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(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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