

Entered June 4, 1974
A.S.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. 5230
Order No. R-4079-B

APPLICATION OF GULF OIL CORPORATION
FOR THE AMENDMENT OF ORDER NO.
R-4079, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 4th day of June, 1974, 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 Commission granted Gulf Oil Corporation an exception to Rules 303 and 309 of the Commission Rules and Regulations to commingle, prior to measurement, production from the Hobbs (Grayburg-San Andres) and Hobbs-Blinbry Pools on applicant's W. P. Grimes NCT-B Lease and to commingle, prior to measurement, the aforesaid production with the Hobbs (Grayburg-San Andres) production from applicant's W. D. Grimes NCT-A Lease, said NCT-A lease being located in Section 32 and said NCT-B lease being located in Section 33, both in Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That the applicant, Gulf Oil Corporation, now seeks an amendment of Order No. R-4079, to include in the commingling authority therein granted Bowers-Seven Rivers production from its W. D. Grimes NCT-B lease.
- (4) That applicant proposes to allocate the production to each of said leases and pools on the basis of bi-monthly well tests.

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(5) That approval of the subject application will allow the applicant to continue to take desirable safety precautions, will result in economic savings to the applicant, prevent waste, and protect correlative rights, provided that the facilities for commingling production are modified to provide for individual testing for each of the wells added to such facilities by virtue of this order.

(6) That Order No. R-4079, as amended by Order No. R-4079-A, should be amended to provide for bi-monthly testing of wells.

IT IS THEREFORE ORDERED:

(1) That Order (1) of Order No. R-4079, dated December 8, 1970, is hereby amended to read as follows:

"(1) That the applicant, Gulf Oil Corporation, is hereby authorized to commingle prior to measurement production from the Hobbs (Grayburg-San Andres), Hobbs Blinbry, and Bowers-Seven Rivers 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."

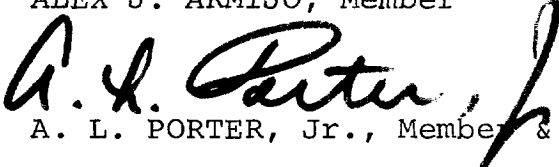
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

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