

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. 685  
Order No. R-422

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION ON ITS OWN MOTION FOR AN  
ORDER ESTABLISHING RULE 508, PERTAINING  
TO THE RUNNING OR TRANSPORTING OF RECOVERED  
LOAD OIL; AND FOR THE ADOPTION OF FORM C-126,  
SAID FORM PERTAINING TO THE RUNNING OR TRANS-  
PORTING OF RECOVERED LOAD OIL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9 o'clock a. m. , on March 18, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 15th day of April, 1954, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due notice having been given of the time and place of hearing and the purpose thereof, as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the adoption of the rules hereinafter designated and of related Commission Form C-126, all as hereinafter set out, is in the interest of conservation, the protection of correlative rights and the prevention of waste; and that no objection to the adoption of said rules and related form appears in the records of this case.

IT IS THEREFORE ORDERED:

(1) That Section "G" of the Rules and Regulations of the Commission entitled "Oil Proration and Allocation" be, and the same hereby is amended to include Rule 508 entitled: "Recovered Load Oil", which said rule is hereby promulgated and adopted, and is in the following words and figures, to-wit:

"RULE 508 - RECOVERED LOAD OIL. Recovered load oil may be run from the lease on which it is recovered provided Commission approval is obtained by means of Form C-126. Form C-126 must be filed in quadruplicate with the Proration Manager.

*Entered 4-23-54 J.R.*

Upon approval, one copy will be returned to the Operator and one copy will be sent to the Designated transporter as authority to transport the oil.

This rule applies only to oil which has been obtained from a source other than the lease on which it is used.

Recovered load oil as used herein is any oil or liquid hydrocarbon which has been used in any operation in an oil or gas well, and which has been recovered as a Merchantable product.

(2) That Section "M" of the Rules and Regulations of the Commission entitled "Reports" be, and the same hereby is amended to include Rule 1125 - Permit for Transporting Load Oil (Form C-126), which said rule is hereby promulgated and adopted, and is in the following words and figures, to-wit:

"RULE 1125: PERMIT FOR TRANSPORTING RECOVERED LOAD OIL (Form C-126)

Form C-126 shall be submitted in quadruplicate to the Proration Manager at Hobbs, New Mexico (Box 2045) and shall be used in conformance with Rule 508 and Rule 1109 (b).

(3) That the form attached hereto as "Appendix A", and designated "Form C-126, Permit to Transport Recovered Load Oil" be and the same hereby is adopted.

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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