

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. 785
Order No. R-556

THE APPLICATION OF THE OHIO OIL
COMPANY FOR AUTHORIZATION TO
COMMINGLE IN A COMMON TANK
BATTERY OIL PRODUCED FROM CERTAIN
PORTIONS OF ITS STATE LEASES ALL IN
THE SE/4 OF SECTION 32, TOWNSHIP 18
SOUTH, RANGE 38 EAST, NMPM, LEA COUNTY,
NEW MEXICO, IN THE HOBBS POOL, THIS TO
BE IN EXCEPTION TO RULE 309 OF THE COM-
MISSION'S RULES AND REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 17, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 16th day of December, 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 public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
2. That applicant, together with The Atlantic Refining Company, is the owner of two New Mexico oil and gas leases covering in part the following described acreage in Township 18 South, Range 38 East: one lease being the W/2 SE/4 of Section 32 and the other lease being the E/2 SE/4 of Section 32.
3. That for reasons of efficiency, applicant desires to use common tankage for the storage and measurement of oil produced from the Hobbs Pool underlying the contiguous portions of said leases.
4. That applicant proposes to install a common tank battery for the storage of all oil produced from the Hobbs Pool underlying the described portions of the above leases, a total of 600 acres, and that equipment is to be installed whereby production from each well drilled on the described land may be accurately determined as prescribed by the Commission.
5. That by reason of practical convenience and economy, and in absence of objection by the Commissioner of Public Lands of New Mexico,

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exception to Rule 309 should be granted.

6. That no objection by the Commissioner of Public Lands has been entered.

IT IS THEREFORE ORDERED:

That the application of The Ohio Oil Company for an exception to Rule 309 be, and the same hereby is approved, and The Ohio Oil Company be and it hereby is authorized to establish, maintain and operate a central tank battery to receive production from wells completed in the Hobbs Pool only on the following described contiguous portions of its State of New Mexico Oil and Gas Leases described as follows:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
E/2 SE/4 of Section 32
W/2 SE/4 of Section 32

PROVIDED, HOWEVER, That adequate tankage and proper equipment are installed and maintained so as to permit specific production tests of each 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 Hobbs Pool.

IT IS FURTHER ORDERED: That jurisdiction of this case is hereby retained for purpose of revocation and modification under changed 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



W. B. MACEY, Member and Secretary

S E A L

Entered 12-17-54

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