Entered January 7, 1780

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. 6764 Order No. R-6233

APPLICATION OF LEE CRANE FOR SURFACE COMMINGLING, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Lee Crane, is the owner and operator of the Martin Wells Nos. 1 and 3, located in Unit N of Section 34, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant seeks authority to commingle undesignated Ojo Alamo and Oswell-Farmington production of the above-described wells into a common gathering line for sale through a single meter into the pipe line.
- (4) That the production of gas from the aforesaid Martin Well No. 1 is a salvage operation only.
- (5) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

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(6) That in order to allocate the commingled production to each of the subject wells, semi-annual tests should be taken of the wells by shutting in one well and producing the other.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Lee Crane, is hereby authorized to commingle undesignated Ojo Alamo and Oswell-Farmington production from his Martin Wells Nos. 1 and 3, located in Unit N of Section 34, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, in a common gathering system.
- (2) That the applicant shall allocate the production to each of the aforesaid wells on the basis of semi-annual well tests.
- That jurisdiction of this cause is retained for the (3) 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

JOE D. RAMEY

/Director

SEAL