

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 901
Order No. R-647

THE APPLICATION OF STANOLIND OIL
AND GAS COMPANY FOR APPROVAL OF
AN EXCEPTION TO COMMISSION RULE
309 TO PERMIT OIL PRODUCED ON ITS
W. S. CAPPS LEASE IN THE S/2 OF
SECTION 3, TOWNSHIP 19 SOUTH, RANGE
38 EAST, NMPM, LEA COUNTY, NEW
MEXICO, TO BE MEASURED AND STORED
IN A TANK BATTERY TO BE LOCATED ON
ITS STATE "A" TRACT 7 LEASE COVERING
THE W/2 NW/4 OF SECTION 10, TOWNSHIP
19 SOUTH, RANGE 38 EAST, NMPM, LEA
COUNTY, NEW MEXICO, IN THE HOBBS
OIL POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, herein-
after referred to as the "Commission".

NOW, on this 25th day of June, 1955, the Commission, a quorum
being present, having considered the record and the testimony entered at said
hearing, and being fully advised in the premises,

FINDS:

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

(2) That applicant, Stanolind Oil and Gas Company, is the owner
of oil and gas leases covering the S/2 of Section 3 and the W/2 NW/4 of
Section 10, Township 19 South, Range 38 East, NMPM, Lea County, New
Mexico, in the Hobbs Oil Pool.

(3) That portions of the lease covering the S/2 of said Section 3,
which is known as Stanolind Oil and Gas Company's W. S. Capps Lease, lie
within the corporate limits of the City of Hobbs, New Mexico.

(4) That the existing tank battery on the W. S. Capps Lease is
situated within the corporate limits of the City of Hobbs, New Mexico, and
that a portion of the area in which said tank batteries are located is currently
being surveyed for further civic development.

Handwritten signature
W. S. Capps

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(5) That applicant, Stanolind Oil and Gas Company, is the owner of surface rights in the W/2 NW/4 of Section 10, Township 19 South, Range 38 East, Lea County, New Mexico, and that the relocation of tank batteries on this tract of land is feasible and economic.

(6) That the relocation of tank batteries now situated on the W. S. Capps Lease is desirable in order to minimize hazards occasioned by the proximity of these batteries to commercial and domestic development.

IT IS THEREFORE ORDERED:

(1) That the application of Stanolind Oil and Gas Company for an exception to Rule 309 of the Rules and Regulations of the Commission be, and the same hereby is approved, and Stanolind Oil and Gas Company is hereby authorized to establish, maintain and operate a tank battery on its State "A" Tract 7 Lease in the W/2 NW/4 of Section 10, Township 19 South, Range 38 East, Lea County, New Mexico, to receive production from wells completed in the Hobbs Pool and located on applicant's W. S. Capps Lease in the S/2 of Section 3, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico.

PROVIDED, HOWEVER, that adequate tankage and proper equipment shall be installed and maintained so as to permit specific production tests of each connected well at reasonable intervals or upon request of the Commission.


PROVIDED FURTHER, that no well now or hereafter connected to such tank battery shall be permitted to produce at a rate in excess of the top allowable as now or hereafter fixed for the Hobbs Oil Pool, plus the permitted tolerance.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary

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