

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 928
Order No. R-679

THE APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN EXCEPTION TO STATEWIDE
RULE 303 FOR PRODUCTION INTO A COMMON
TANK BATTERY FOR ITS WELLS LOCATED ON
ITS LOCKHART B-31 LEASE IN SECTION 31,
TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 14, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 11th day of August, 1955, the Commission, a quorum being present, having considered the testimony adduced, 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 case and the subject matter thereof.
- (2) That applicant is the co-owner and is the operator of the Lockhart B-31 lease consisting of the NW/4, E/2 SW/4 and the SE/4 Section 31, Township 21 South, Range 36 East, N.M.P.M., Lea County, New Mexico, containing 400 acres, more or less.
- (3) That applicant has five oil wells now producing on said lease; Wells No. 1 and No. 5 having been classified by Commission Order No. R-520 as producing from the Jalmat Gas Pool, whereas Wells No. 2, 3 and 4 are classified as South Eunice Oil Wells.
- (4) That under the provisions of Statewide Rule No. 303, Wells No. 1 and 5 should be produced into a separate battery from that into which the South Eunice Oil Wells are producing.
- (5) That the Commission has the authority to grant an exception to said Rule 303 after notice and hearing.
- (6) That said wells heretofore have produced into common tankage for several years in compliance with the Commission's Rules and Regulations.
- (7) That the erection of a separate battery to receive oil production from the recently created Jalmat Gas Pool would result in unnecessary expense to the applicant.

-2-

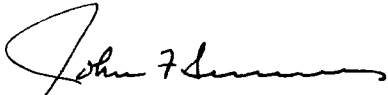
Order No. R-679

IT IS THEREFORE ORDERED:

That the application of the Continental Oil Company for approval of an exception to Rule No. 303 of the Statewide Rules and Regulations, to permit the production of oil from the Jalmat Gas Pool from Applicant's Lockhart B-31 Wells Nos. 1 and 5 to be commingled with the oil produced from applicant's Lockhart B-31 Wells No. 2, 3, and 4 in the South Eunice Oil Pool into a common tank battery, be and the same is hereby approved.

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

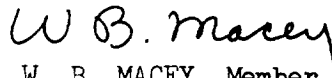
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

S E A L

ga