

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. 972
Order No. R-720

THE APPLICATION OF WILSON OIL
COMPANY FOR AN EXCEPTION TO
RULE 309 (a) FOR CENTRALIZATION
OF TANKAGE FOR THE MAXIMUM OF
15 WELLS TO BE PRODUCED FROM THE
WILSON STATE LEASES B-6717, B-8251,
B-6807, SECTION 13, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, NMPM, IN THE WILSON
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 20, 1955 at Santa Fe, New Mexico, before Warren W. Mankin, Examiner appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 21st day of November, 1955, the Oil Conservation Commission, hereinafter referred to as the "Commission", a quorum being present, having considered said application and the recommendations of the Examiner, Warren W. Mankin, 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 the applicant, Wilson Oil Company, is the owner and operator of New Mexico State Leases B-6717, B-8251, B-6807, located in Section 13, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.
3. That there are 11 existing wells in the above-named contiguous leases producing from the Wilson Pool, a common reservoir and that said leases include 12 possible proration units with the above-mentioned 11 producing wells and 1 drilling well. Applicant presently is producing said oil into three tank batteries at locations in the NW/4 NW/4 Section 18, Township 21 South, Range 35 East; center W/2 and center S/2 of Section 13, Township 21 South, Range 34 East.

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4. That under Order R-243, Case 605, applicant was granted permission to drill as many as 6 unorthodox locations on the subject leases.

5. That it is the intent of applicant to drill these unorthodox locations as alternate wells but in no event will there be more than 15 wells producing into the centralized battery.

6. That for reasons of efficiency and economy, applicant desires to use common tankage for the storage and measurement of oil produced from the Wilson Pool, underlying the above-described lease.

7. That the central tank battery has suitable and adequate facilities for the storage and handling of the production from a maximum of 15 wells on the above-described leases and that suitable equipment is installed whereby the production from each well on the above-described lands may be accurately determined as prescribed by the Rules and Regulations of the Commission.

8. That the above-described acreage is of one common royalty interest, the same being the State of New Mexico.

9. That by reason of practical convenience and economy, and in absence of objection by the Commissioner of Public Lands of New Mexico, exception to Rule 309 (a) should be granted.

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

IT IS THEREFORE ORDERED:

That the application of Wilson Oil Company for an exception to Rule 309 (a) be, and the same is, hereby granted and approved. That Wilson Oil Company be and it is hereby authorized to establish, maintain and operate three central tank batteries located as follows: NW/4 NW/4 Section 18, Township 21 South, Range 35 East; center W/2 Section 13, Township 21 South, Range 34 East, and the center of the S/2 Section 13, Township 21 South, Range 34 East; to receive production from a maximum of fifteen wells to be completed in the Wilson Pool on the following described State leases: B-6717, B-8251, B-6807 and consisting of the following described acreage: S/2, S/2 NW/4, W/2 NE/4 Section 13, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico. Wilson Oil Company is further hereby authorized and granted permission to relocate the said existing tank batteries in such a manner that a maximum of fifteen wells will be produced into one central tank battery located in the center of the S/2 of Section 13, Township 21 South, Range 34 East.

IT IS FURTHER ORDERED: That production from applicant's existing wells will be produced into said tank battery and that production from additional wells at unorthodox locations, as heretofore approved by this Commission by Order No. R-243, the total number of wells not to exceed a maximum of fifteen, may likewise be produced into said centralized tank battery.

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PROVIDED, HOWEVER, That adequate tankage and proper equipment be installed and maintained in connection with such central tank batteries 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

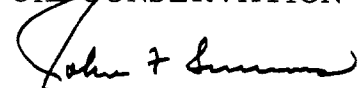
PROVIDED FURTHER, That any well now or hereafter connected to such tank batteries will produce its allowable in full compliance with Rule 502 of the Rules and Regulations of the Commission.

PROVIDED FURTHER, That for administrative purposes the effective date of this order will be November 1, 1955.

IT IS FURTHER ORDERED, That jurisdiction of this case is hereby retained with the purpose of revocation and modification under changing conditions.

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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