

*Entered April 11, 1956
A.L.P.*

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. 1012
Order No. R-773

THE APPLICATION OF GULF OIL
CORPORATION FOR AN EXCEPTION
TO RULE 309 (a) OF THE STATEWIDE
RULES AND REGULATIONS OF THE NEW
MEXICO OIL CONSERVATION COMMISSION
TO PERMIT THE PRODUCTION OF A
MAXIMUM OF 11 WELLS INTO A COMMON
TANK BATTERY ON APPLICANT'S CHAVES-
STATE "BM" LEASE, CONSISTING OF THE
N/2 NW/4, W/2 NE/4, SE/4 NW/4, SW/4,
AND THE SE/4 SE/4, SECTION 23, AND
THE NW/4 NE/4 OF SECTION 26, ALL IN
TOWNSHIP 13 SOUTH, RANGE 31 EAST,
NMPM, CAPROCK-QUEEN POOL, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 a.m. on February 8, 1956 at Hobbs, New Mexico, before Warren W. Mankin, Examiner, duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order No. R-681.

NOW, on this 29th day of March 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application, the evidence adduced 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 case and the subject matter thereof.

(2) That applicant, Gulf Oil Corporation, is the owner and operator of the Chaves-State "BM" Lease in the Caprock-Queen Pool, Chaves County, New Mexico, a portion of which comprises the N/2 NW/4, W/2 NE/4, SE/4 NW/4, SW/4 and the SE/4 SE/4 of Section 23, and the NW/4 NE/4 of Section 26, all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico.

(3) At present, there are eleven wells producing from the Caprock-Queen Pool into an existing tank battery located on the applicant's Chaves-State "BM" Lease.

(4) That for reasons of efficiency and economy, applicant desires to use the existing tank battery for the storage and measurement of oil produced from a maximum of the aforementioned eleven (11) oil wells in the Caprock-Queen Pool, underlying the above described lease.

(5) That the central tank battery has suitable and adequate facilities for the storage and handling of the production from a maximum of eleven oil wells in the above-described acreage and that suitable equipment has been installed whereby the production from each well on the above-described land may be adequately determined as prescribed by the Rules and Regulations of the Commission.

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

(7) That by reason of practical convenience and economy and in the absence of objection by the Commissioner of Public Lands of the State of New Mexico, application for an order granting exception to Rule 309 (a) should be granted.

(8) That no objection by the Commissioner of Public Lands has been entered.

IT IS THEREFORE ORDERED:

That the application of Gulf Oil Corporation for an order granting an exception to Rule 309 (a) of the Oil Conservation Commission's Statewide Rules and Regulations, be, and the same is, hereby granted and approved.

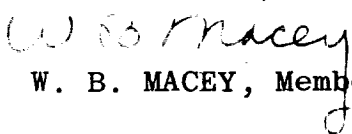
That Gulf Oil Corporation be and the same is hereby authorized to maintain and operate its existing tank battery located on its Chaves-State "BM" Lease, a portion of said lease comprising the N/2 NW/4, W/2 NE/4, SE/4 NW/4, SW/4 and the SE/4 SE/4 Section 23 and the NW/4 NE/4 Section 26, all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico, said battery to receive production from a maximum of eleven (11) presently producing oil wells, in the Caprock-Queen Pool on the above described lease.

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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