Endered July 13, 1956

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. 1090 Order No. R-839

THE APPLICATION OF STANOLIND OIL AND GAS COMPANY FOR AN ORDER GRANTING AN EXCEPTION TO STATEWIDE RULE 309 (a) IN THE ESTABLISHMENT OF THREE TANK BATTERIES TO BE LOCATED ON ITS STATE "A" TRACT 7 LEASE IN THE NW/4 SECTION 10, TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM, SAID BATTERIES TO RECEIVE PRODUCTION TRANSPORTED FROM WELLS ON APPLICANT'S B. H. TURNER TRACT 1, R/A "A" AND R/A "B", AND TRACT 2, R/A "C" LEASE, LOCATED IN THE W/2 of THE NW/4 AND THE SW/4 SECTION 34, TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM, HOBBS 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 June 20, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission.

NOW, on this $\underline{\mathcal{Q}^{t}}$ day of July 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

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

(2) That the location of the producing wells on applicant's B. H. Turner Lease, Tracts 1 and 2, Hobbs Pool, is within a residential area of the City of Hobbs, New Mexico.

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(3) That it is no longer in the interests of safety to continue producing wells into the established tank batteries near the same production and located on the same lease as the wells.

(4) That the batteries applied for in the application will be located at a central tank battery site outside the city limits of Hobbs, New Mexico, and will be farther from a residential area.

(5) That the interest of safety will be served by the granting of this application.

(6) That adequate equipment will be installed to permit the accurate measurement of the production from each well and the compliance with all other applicable rules and regulations of the Commission.

(7) That there will be no commingling of oil from other leases or pools in the proposed tank batteries.

(8) That there will be no more than 8 wells produced into any one of the aforesaid three batteries.

(9) That there were no objections entered as to the granting of this application.

IT IS THEREFORE ORDERED:

That the application of Stanolind Oil and Gas Company for an order approving the establishment of three tank batteries to be located at a central tank battery site on applicant's State "A" Tract 7 Lease in Section 10, Township 19 South, Range 38 East, NMPM, said batteries to receive production transported from wells located on applicant's B. H. Turner Lease, Tract 1, R/A "A" and R/A "B" and Tract 2, R/A "C", located in the W/2 NW/4 and the SW/4 Section 34, Township 18 South, Range 38 East, NMPM, Hobbs Pool, Lea County, New Mexico, be and the same is hereby granted.

IT IS FURTHER ORDERED:

That in any event no more than eight wells will be produced into aforesaid tank batteries and that adequate equipment will be installed in order that all requirements of the Commission's Rules and Regulations will be met.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION the 7 Se JOHN F. SIMMS, Chairman E. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

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