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2350

Application, Transcript,
and Exhibits, Etc.

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

October 9, 1961

Mr. Burns Errebe
P. O. Box 466
Sims Building
Albuquerque, New Mexico

Re: Case No. 2349
Order No. 2350
Applicant: 2351
2352
2000
2001
2002

Secony Mobil Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, JR.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC

Aztec OCC

OTHER

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE No. 2350
Order No. R-2080**

**APPLICATION OF SOCONY MOBIL
OIL COMPANY, INC. FOR AN
EXCEPTION TO RULE 303, LEA
COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 9, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

Now, on this 9th day of October, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, 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 applicant, Socony Mobil Oil Company, Inc., is the owner and operator of the Stephens Estate Lease, comprising the SW/4 of Section 24, Township 21 South, Range 37 East, NMPN, Lea County, New Mexico.
- (3) That the applicant seeks permission to commingle the production from the Terry-Blinbry and Wantz-Abo Pools, and from other zones which may become productive on the above-described Stephens Estate Lease, and to allocate production on the basis of quarterly well tests.
- (4) That all wells on the subject lease are marginal in all pools from which they are producing at the present time.
- (5) That inasmuch as administrative procedures are available whereby permission to commingle additional zones may be obtained when needed, that portion of the application seeking commingling authorization for zones which may become productive should be denied.

-2-

CASE No. 2350
Order No. R-2080

(6) That the remainder of the subject application should be approved; provided, however, that in the event any well in either pool should become capable of producing top allowable, the Secretary-Director of the Commission may require that meters be installed on both zones.

(7) That the subject installation should be operated in accordance with the Commission Manual for the Installation and Operation of Commingling Facilities.

IT IS THEREFORE ORDERED:

(1) That the applicant, Socony Mobil Oil Company, Inc., is hereby authorized to commingle the production from the Terry-Blinebry and Wants-Abo Pools on its Stephens Estate Lease, comprising the SW/4 of Section 24, Township 21 South, Range 37 East, BHPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the commingled production shall be allocated on the basis of quarterly well tests, and the results of such tests shall be filed with the Commission.

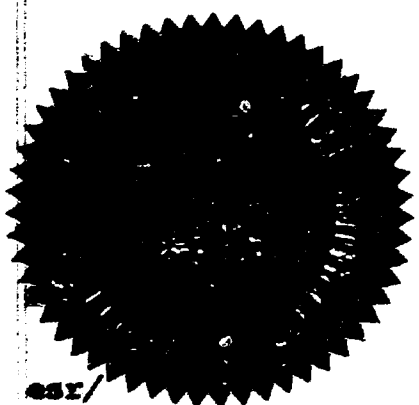
PROVIDED FURTHER, That in the event any well in either pool should become capable of producing top allowable, the operator shall notify the Commission of such fact and the Secretary-Director may require that meters be installed on both zones.

PROVIDED FURTHER, That the subject installation shall be operated in accordance with the Commission Manual for the Installation and Operation of Commingling Facilities.

(2) That the portion of the subject application seeking permission to commingle additional zones which may become productive on said Stephens Estate Lease is hereby denied.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

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

esr/

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 9/18/61

CASE Case 2350

Hearing Date 9/19/61

My recommendations for an order in the above numbered cases are as follows: DSN SF

Enter an order approving
Socony Mobil's request to
commingle without step measurement
but rather on the basis
of quarterly well tests, the
Wentz No. 1 and Terry Blumberg
production on its Stephens
Estate Lease comprising
SW/4 24-T21S-R37E.

All wells are marginal.
Require Socony Mobil to file
quarterly tests w/ the Comm
and to notify the SF of
the comm if any well in either
pool should become capable of
making top allow at which time
the Terry No. 1 may
order meters installed
on both zones

Wentz No. 1 + Terry Blumberg
were on the for comm
by R-1266. All other wells.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 9, 1961

9:00 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, as Alternate Examiner:

- CASE 2345: Application of Continental Oil Company for the establishment of Special Rules and Regulations for the Rattlesnake-Pennsylvanian Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special Rules and Regulations for the Rattlesnake-Pennsylvanian Pool in San Juan County, New Mexico, including a provision establishing 80-acre proration units for said pool.
- CASE 2346: Application of Pan American Petroleum Corporation for an order pooling all mineral interests in the Basin-Dakota Gas Pool in the S/2 of Section 24, Township 29 North, Range 12 West, San Juan County, New Mexico.
- CASE 2347: Application of Pan American Petroleum Corporation for two non-standard oil proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of two non-standard oil proration units in the Totah-Gallup Oil Pool, San Juan County, New Mexico, one unit consisting of the East 82.56 acres and one unit consisting of the West 82.56 acres of that portion of the N/2 of Section 14, Township 29 North, Range 14 West, lying South of the mid-channel of the San Juan River, to be dedicated to applicant's Navajo Tribal "H" Well No. 11, located 2090' from the North line and 1840' from the East line of said Section 14, and to applicant's Navajo Tribal "H" Well No. 12, located 1630' from the North line and 810' from the West line of said Section 14, respectively.
- CASE 2348: Application of The British-American Oil Producing Company for an amendment of Order No. R-1638. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1638, which order established special rules and regulations for the operation of the West Bisti Pressure Maintenance Project, in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, to grant top unit allowables to injection wells in said pressure maintenance project.

CASE 2349: Application of Socony Mobil Oil Co., Inc. for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit commingling of the production from the Blinebry Gas, Tubb Gas, Brunson, Drinkard, Hare, Wantz Abo, Paddock, Penrose-Skelly, McCormick and undesignated San Andres Pools on its E. O. Carson lease in Township 21 South, Range 37 East, Lea County, New Mexico. Applicant proposes to allocate production on the basis of quarterly well tests and to meter top allowable wells.

CASE 2350: Application of Socony Mobil Oil Co., Inc. for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit commingling of the production from the Terry-Blinebry and Wantz Abo Pools, and from other zones which may become productive on its Stephens Estate lease, comprising the SW/4 of Section 24, Township 21 South, Range 37 East, Lea County, New Mexico. Applicant proposes to allocate production on the basis of quarterly well tests and to meter top allowable wells.

CASE 2351: Application of Socony Mobil Oil Co., Inc. for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit commingling of the production from the Blinebry Gas, Tubb Gas and Drinkard Pools on its S. E. Long lease comprising the SE/4 of Section 11, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to allocate production on the basis of quarterly well tests.

CASE 2352: Application of Socony Mobil Oil Co., Inc. for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit commingling of the production from the Blinebry Gas, Tubb Gas, Drinkard, Paddock and Penrose-Skelly Pools on its Cordelia-Hardy lease, comprising the NW/4 of Section 29, Township 21 South, Range 37 East, Lea County, New Mexico. Applicant proposes to allocate production on the basis of quarterly well tests and to meter top allowable wells.

CASE-2353: Application of Socony Mobil Oil Co., Inc. for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the

CASE 2353: (Cont.)

above-styled cause, seeks an exception to Rule 303 (a) to permit commingling of the production from the Blinebry Gas, Tubb Gas, Brunson, Drinkard, Penrose-Skelly and Paddock Pools on its Brunson-Argo lease, comprising the NE/4 of Section 9 and the NW/4 of Section 10, all in Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to allocate production on the basis of quarterly well tests and to meter top allowable wells.

CASE 2354:

Application of Socony Mobil Oil Co., Inc. for permission to dispose of produced formation water, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to dispose of produced formation water into the Pennsylvanian Bough "C" formation through its Santa Fe "B" Well No. 1, located in the SW/4 of Section 28, and through its Santa Fe "E" Well No. 1, located in the NE/4 of Section 29, all in Township 9 South, Range 36 East, Lea County, New Mexico.

CASE 2355:

Application of H. L. Brown, Jr. and Clem E. George for establishment of special rules and regulations in the Bluitt-Wolfcamp Gas Pool, Roosevelt County, New Mexico. Applicants, in the above-styled cause, seek the establishment of special rules and regulations in the Bluitt-Wolfcamp Gas Pool, Roosevelt County, New Mexico, including a provision for 320-acre units in said pool.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF SOCONY MOBIL OIL COMPANY, INC.
FOR AN EXCEPTION TO STATEWIDE RULE
303 (a) TO PERMIT COMMINGLING OF
PRODUCTION FROM THE TERRY BLINEBRY
AND WANTZ ABO OIL POOLS AND ALL
OTHER ZONES ON ITS STEPHENS ESTATE
LEASE, LEA COUNTY, NEW MEXICO

No. 2350

A P P L I C A T I O N

Applicant states:

1. That Applicant is the owner and operator of its Stephens
Estate Lease, described as follows:

SW¹/₄, Section 24, Township 21 South,
Range 37 East, NMPM, Lea County,
New Mexico.

2. That the aforesaid lease and lands are now productive of
oil and gas from the Terry Blinebry and Wantz Abo Oil pools through
wells presently completed thereon and that one or more of said formations
may be productive in the future from other wells which may be completed
on said lease and lands.

3. That in order to eliminate the necessity for multiple surface
installations for the handling, storage and measurement of production,
Applicant proposes to commingle production from the Terry Blinebry and
Wantz Abo oil pools and from such future zones which may become productive
from this lease.

4. That allocation of production to individual wells will be
made on a basis of quarterly well tests, except that those zones which
have top allowable wells now or in the future will be metered.

*Resub
Mailed
4/28/61*

5. That rule 303(a) of the rules and regulations of this commission prohibits the commingling of production from separate pools prior to marketing.

6. That the granting of this Application will not cause waste nor impair correlative rights.

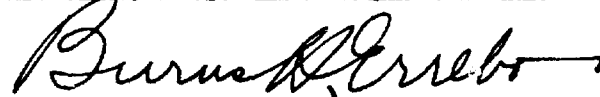
WHEREFORE, Applicant prays that this matter be set for hearing, that notice thereof be given as required by law, and that upon the evidence adduced at such hearing this commission issue an Order permitting Applicant to commingle the production from said lease as herein set forth, and for such other and further relief as this commission may deem necessary and proper.

Dated this 14th day of July, 1961.

SOCONY MOBIL OIL COMPANY, INC.

By MODRALL SEYMOUR SPERLING ROEHL & HARRIS

By



BURNS H. ERREBO
Attorneys for Applicant
1200 Simms Building
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Albuquerque, New Mexico