Entered September 23;1957 AL.O.

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. 1302 Order No. R-1054

APPLICATION OF CONTINENTAL OIL COMPANY FOR PERMISSION TO PRODUCE MORE THAN EIGHT OIL WELLS INTO A SINGLE TANK BATTERY IN THE EUMONT GAS POOL ON ITS STATE A-36 LEASE IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 1 o'clock p.m. on August 28, 1957, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this $/4^{t^{h}}$ day of September, 1957, 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 case and the subject matter thereof.

(2) That the applicant, Continental Oil Company, proposes to produce into a common tank battery all oil wells presently completed in or hereafter drilled to the Eumont Gas Pool on the applicant's State "A-36" lease, consisting of the S/2 and the NE/4 of Section 36, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, but not to exceed a total of twelve wells in all.

(3) That approval of the subject application will not cause waste nor impair correlative rights provided adequate testing equipment and storage facilities are installed.

(4) That approval of the subject application will result in considerable economic saving to the applicant.

IT IS THEREFORE ORDERED:

That the applicant, Continental Oil Company, be and the same is hereby authorized to produce into a common tank battery all oil wells presently completed in or hereafter drilled to the

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Eumont Gas Pool on the applicant's State "A-36" lease comprising the S/2 and the NE/4 of Section 36, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, but not to exceed a total of twelve wells in all.

PROVIDED HOWEVER, That the applicant shall install sufficient testing facilities to permit each well to be tested at least once each month.

PROVIDED FURTHER, That the applicant shall install sufficient storage tanks to prevent the over-flow and wasting of oil produced into said common tank battery.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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MURRAY E. MORGAN, Member

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

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