

Entered February 17, 1958
AJP

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. 1357
Order No. R-1124

APPLICATION OF STANDARD OIL COMPANY
OF TEXAS FOR AN ORDER AUTHORIZING
THE PRODUCTION INTO A COMMON TANK
BATTERY OF ALL OIL PRODUCED FROM
FIVE LEASES IN THE ATOKA POOL, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 29, 1958, at Santa Fe, 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 12th day of February, 1958, 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, Standard Oil Company of Texas, is the operator of five 40-acre oil and gas leases in the Atoka (San Andres) Pool, consisting of the SW/4 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 NW/4, and NW/4 NW/4 of Section 12, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That there is a diversity of ownership of both the working interests and royalty interests in the above-described leases.

(4) That Standard Oil Company of Texas and Gulf Oil Corporation have entered into an operating agreement whereby the applicant is designated as the operator of all of the above-described leases.

(5) That the above-described leases are situated in the flood plain of the Pecos River and are periodically subjected to inundation.

(6) That the applicant proposes to commingle, after measurement, the production from the above-described leases in a common tank battery located in the NE/4 SW/4 of said Section 12, which location is outside the Pecos River flood plain, and that the applicant proposes to continuously measure the production from each of the above-described leases by means of positive displacement meters located at the above-described common tank battery.

(7) That the metering system proposed by the applicant will provide an accurate and reliable means for measuring the amount of oil produced from each of the above-described leases, provided the meters are periodically checked for accuracy.

(8) That approval of the subject application will not cause waste nor impair correlative rights.

(9) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Standard Oil Company of Texas, be and the same is hereby authorized to commingle, after measurement, the production from the following described separate leases in the Atoka (San Andres) Pool in a common tank battery located in the NE/4 SW/4 of Section 12, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, to-wit:

| | |
|-----------|------------|
| SW/4 SE/4 | Section 12 |
| NW/4 SE/4 | Section 12 |
| SW/4 NE/4 | Section 12 |
| SE/4 NW/4 | Section 12 |
| NW/4 NW/4 | Section 12 |

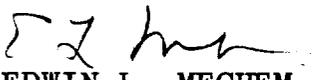
all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(2) That the applicant be and the same is hereby authorized to measure the production from each of the above-described leases by means of positive displacement meters located at the above-described common tank battery.

(3) That each of the positive displacement meters used to measure the production from each of the above-described leases shall be checked for accuracy at intervals and in a manner satisfactory to the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

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