Entered Cleder 1, 1958 A.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 NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1507 Order No. R-1251

APPLICATION OF LEA COUNTY DRIP COMPANY, INC., FOR AN ORDER AUTHORIZING THE OPERATION OF TWO OIL TREATING PLANTS FOR TANK BOTTOM EMULSION AND OTHER WASTE OILS COLLECTED FROM LEASES IN LEA, EDDY, CHAVES, AND ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 10, 1958, 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 $29^{\frac{th}{2}}$ day of September, 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, Lea County Drip Company, Inc., proposes to construct and operate two oil treating plants for the purpose of treating and reclaiming tank bottom emulsion and other waste oils at the following locations in Lea County, New Mexico:

> (a) Adjacent to the Shell Pipeline Corporation's pipeline approximately three miles South of Hobbs, New Mexico.

(b) Adjacent to the Shell Pipeline Corporation's Eunice Station approximately five miles West of Eunice, New Mexico. -2-Case No. 1507 Order No. R-1251

(3) That said plants will salvage oil which would otherwise be wasted.

(4) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Lea County Drip Company, Inc., be and the same is hereby granted a permit to construct and operate two oil treating plants for the purpose of treating and reclaiming tank bottom emulsion and other waste oils at the following locations in Lea County, New Mexico:

> (a) Adjacent to the Shell Pipeline Corporation's pipeline approximately three miles South of Hobbs, New Mexico.

(b) Adjacent to the Shell Pipeline Corporation's Eunice Station approximately five miles West of Eunice, New Mexico.

PROVIDED HOWEVER, That prior to commencing operation of said plants, the applicant shall file a performance bond with the Commission payable in the amount of \$25,000 to the Oil Conservation Commission of the State of New Mexico, conditioned upon the operation of said plants in accordance with the applicable Statutes of the State of New Mexico and the Rules, Regulations, and Orders of the Oil Conservation Commission.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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EDWIN L. MECHEM, Chairman

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MURRAY E. MORGAN, Member

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

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