

*Entered December 10, 1959
C.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. 1820
Order No. R-1539

APPLICATION OF CARPER DRILLING
COMPANY, INC. AND T. J. SIVLEY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE
LEASES IN EDDY COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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 27th day of November, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 applicants are the owners and operators of that portion of State of New Mexico Oil and Gas Lease No. B-1483 comprising Lot 2 (NW/4 NE/4) of Section 2 and that portion of State of New Mexico Oil and Gas Lease No. 2029 consisting of Lot 3 (NE/4 NW/4) of Section 2, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

(3) That the applicants propose to commingle the Empire-Abo Pool production from the two units into a common tank battery located in the NE/4 NW/4 of said Section 2, after separately metering the production from one of the two units.

(4) That the production from each unit should be separately metered before commingling, using corrosion resistant positive displacement or dump-type meters, since royalty interests in the two units are not common.

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(5) That approval of the subject application will neither cause waste nor impair correlative rights, provided adequate metering, testing, and storage facilities are installed.

IT IS THEREFORE ORDERED:

(1) That the application of Carper Drilling Company, Inc. and T. J. Sivley for an order authorizing them to commingle the Empire-Abo Pool production from portions of two separate leases comprising respectively Lot 2 (NW/4 NE/4) of Section 2 and Lot 3 (NE/4 NW/4) of Section 2, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, be and the same is hereby granted.

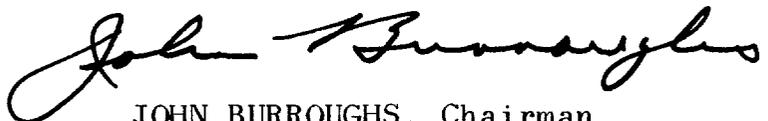
PROVIDED HOWEVER, That the production from each of the above-described units shall be separately metered prior to commingling.

(2) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

That all meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

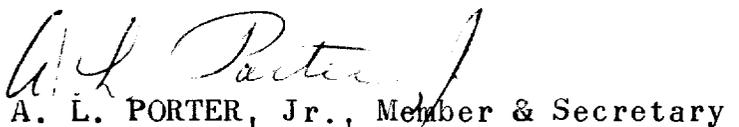


JOHN BURROUGHS, Chairman

S E A L



MURRAY E. MORGAN, Member



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

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