Entered July 7, 1960 all.

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. 2001 Order No. R-1573-B

APPLICATION OF FRANKLIN, ASTON AND FAIR, INC., FOR AN AMENDMENT TO THE PROVISIONS IN ORDER R-1573-A RELATIVE TO SAFETY FEATURES TO BE INCORPORATED IN ITS AUTOMATIC CUSTODY TRANSFER SYSTEM, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 22, 1960, 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 <u>30th</u> day of June, 1960, 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 by Order No. R-1573-A the applicant, Franklin, Aston and Fair, Inc., was authorized to install an automatic custody transfer system to handle the Empire-Abo Pool production from all wells presently completed or thereafter drilled on the following-described State leases in Eddy County, New Mexico:

- B-11594 NW/4 NW/4 of Section 5 and NE/4 NW/4, S/2 NW/4 and N/2 SW/4 of Section 6, Township 18 South, Range 28 East.
- B-7966 SE/4 SW/4 of Section 31, Township 17 South, Range 28 East.
- B-2071 W/2 SE/4 of Section 31, Township 17 South, Range 28 East.

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(3) That said Order No. R-1573-A required that the applicant install high level safety shut-in switches in the storage tanks which would shut-in the wells at the header in the event of malfunction of the equipment. Said Order No. R-1573-A also required that the automatic custody transfer system be so equipped as to shut-in the flowing wells at the wellhead in the event of a flowline break.

(4) That in lieu of the above requirements, the applicant proposes that said Order No. R-1573-A be amended to require that storage facilities capable of handling the production from the subject leases during the maximum unattended hours of operation be installed, and to require that high-pressure tubing be utilized as flow lines.

(5) That amendment of Order No. R-1573-A in the respects proposed by the applicant will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That Order No. R-1573-A be and the same is hereby amended by the deletion of the second and third provisos of paragraph 2.

(2) That Order No. R-1573-A be and the same is hereby amended by incorporating the following proviso therein: "That the applicant shall install and maintain storage facilities capable of handling the production from the subject leases during the maximum unattended hours of operation, and the applicant shall utilize high-pressure tubing as flow lines."

(3) That all other provisions of Order No. R-1573-A shall remain in full force and effect.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

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RRAY E. MORGAN, Member

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

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