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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. 2258 Order No. R-1955

APPLICATION OF MARKHAM, CONE & REDFERN FOR AN EXCEPTION TO RULE 303 (a), LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 19, 1961, at Santa Fe, New Mexico, before A. L. Porter, Jr., 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>28th</u> day of April, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, A. L. Porter, Jr., 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, Markham, Cone & Redfern, is the owner and operator of the Eubanks Lease, comprising the SW/4 of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks permission to commingle, without separate measurement, the oil production from the Drinkard Pool and the distillate production from the Blinebry Gas Pool and the Tubb Gas Pool from all wells presently completed on the abovedescribed Eubanks Lease.

(4) That inasmuch as all oil wells on the subject lease are low marginal wells and all gas wells produce small quantities of distillate, the granting of this application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Markham, Cone & Redfern, is hereby granted permission to commingle, without separate measurement,

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the oil production from the Drinkard Pool and the distillate production from the Blinebry Gas Pool and the Tubb Gas Pool from all wells presently completed on the Eubanks Lease, comprising the SW/4 of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the total lease production shall be allocated to each well in each subject pool on the basis of monthly well tests.

PROVIDED FURTHER, That in the event any well on the subject lease becomes capable of producing top oil allowable of liquid hydrocarbons from any of the subject pools, the applicant shall notify the Santa Fe office of the Commission of such fact.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

Crualker, E. S. WALKER, Membern U. L. Parter, h.

L. PORTER, Jr., Member & Secretary

SEAL