## BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Cantered Marian, 3, 1462

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2444 Order No. R-2132

APPLICATION OF AZTEC OIL & GAS COMPANY FOR AN EXCEPTION TO RULE 309-A, SAN JUAN COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 29, 1961, 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>13th</u> day of December, 1961, 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, Aztec Oil & Gas Company, is the owner and operator of the Hagood Federal Lease, located in Section 19, Township 29 North, Range 13 West, NMPM, and the Smith "C" Lease, located in Section 18, Township 29 North, Range 13 West, NMPM, all in San Juan County, New Mexico.

(3) That the applicant seeks permission to transport, prior to measurement, the Totah-Gallup oil production from the Hagood Federal Wells Nos. 25, 26, and 27 located on the above-described Hagood Federal Lease to a tank battery on the above-described Smith "C" Lease.

(4) That commingling of production from the two leases will not result, and there will be no intercommunication of the batteries designated to each lease.

(5) That the location of the proposed battery will not result in waste nor will it impair correlative rights.

-2-CASE No. 2444 Case No. 2132

## IT IS THEREFORE ORDERED:

(1) That the applicant, Aztec Oil & Gas Company, is hereby authorized to transport, prior to measurement, the Totah-Gallup oil production from its Hagood Federal Wells Nos. 25, 26, and 27 on the Hagood Federal Lease, located in Section 19, Township 29 North, Range 13 West, NMPM, to a tank battery on the Smith "C" Lease in Section 18, Township 29 North, Range 13 West, NMPM, all in San Juan County, New Mexico.

(2) 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

I prech

EDWIN L. MECHEM, Chairman

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

SEAL

esr/