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. 811
Order No. R-579

THE APPLICATION OF THE PHILLIPS
PETROLEUM COMPANY FOR AUTHORIZATION
TO COMMINGLE IN A COMMON TANK BATTERY
PRODUCTION FROM ITS CHEM STATE LEASE,
DESCRIBED AS LOTS 1 AND 2 OF SECTION 4,
AND THE PHILLIPS CHEM STATE "A" LEASE,
DESCRIBED AS LOTS 1, 2, 3 AND 4, S/2 NE/4,
S/2, SW/4 NW/4 OF SECTION 3, TOWNSHIP 15
SOUTH, RANGE 32 EAST, NMPM, LEA COUNTY,
NEW MEXICO, WITHIN THE HORIZONTAL LIMITS
OF THE TULK-WOLFCAMP POOL; SUCH
AUTHORIZATION TO BE AN EXCEPTION TO RULE
309 OF THE RULES AND REGULATIONS OF THE
COMMISSION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January
13, 1955, at Santa Fe, New Mexico before the Oil Conservation Commission
of New Mexico, hereinafter referred to as the "Commission".

NOW, on this _9th_ day of February, 1955, the Commission, a
quorum being present, having considered the testimony and the exhibits
received at said hearing, 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 applicant is the owner of State of New Mexico oil and gas
leases covering the following described acreage in the Tulk-Wolfcamp Oil
Pool of Lea County, New Mexico, to-wit:

TOWNSHIP 15 South, RANGE 32 East, NMPM
Section 3: Lots 1, 2, 3 and 4, S/2 NE/4, S/2,
SW/4 NW/4
Section 4: Lots 1 and 2

3. That, for reasons of efficiency and economy, the applicant
desires to employ common tankage for the storage of oil produced from the
Tulk-Wolfcamp Pool underlying said leases.

4. That applicant proposes to install a common tank battery
for the purpose of storing oil produced from the Tulk-Wolfcamp Pool
through wells drilled on the above-described leases, and that equipment

Entered February 10, 1955
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is to be installed which will enable the production from each well producing from the above described leases to be accurately measured as prescribed by the Commission.

5. That, by reason of practical convenience and economy and in the absence of objection by the Commissioner of Public Lands of the State of New Mexico, exception to Commission Rule 309 should be granted.

6. That no objection has been entered by the Commissioner of Public Lands of the State of New Mexico.

IT IS THEREFORE ORDERED:

1. That the application of the Phillips Petroleum Company for an exception to Rule 309 of the Rules and Regulations of the Commission be, and the same hereby is approved.

2. That the Phillips Petroleum Company is hereby authorized to establish, maintain and operate a central tank battery to receive production from wells completed in the Tulk-Wolfcamp Oil Pool of Lea County, New Mexico, on the following described State of New Mexico oil and gas leases, to-wit:

> TOWNSHIP 15 South, RANGE 32 East, NMPM
> Section 3: Lots 1, 2, 3 and 4, S/2 NE/4, S/2, SW/4
> NW/4
> Section 4: Lots 1 and 2

commonly known as Phillips Petroleum Company "Chem State 'A' and "Chem State" leases, respectively.

PROVIDED, HOWEVER, That adequate tankage and proper equipment be installed and maintained so as to permit specific production tests on each well connected to the common tankage at reasonable intervals or upon request of the Commission, or of the Commissioner of Public Lands, and

PROVIDED FURTHER, That no well now or hereafter connected to such common tank battery shall be permitted to produce at a rate exceeding the then current top allowable for the Tulk-Wolfcamp Pool.

IT IS FURTHER ORDERED: That jurisdiction of this case is hereby retained for purpose of revocation and modification under changed conditions.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

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811