Entered July 26, 1783

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 7918 Order No. R-7321

APPLICATION OF ROBERT N. ENFIELD FOR COMMINGLING AND OFF-LEASE STORAGE, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 20, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>26th</u> day of July, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Robert N. Enfield, seeks authority to commingle production (liquids) and for the off-lease storage of same for his Douglas, Walters, and Federal Wells No. 1 in Sections 7 and 18 and a well to be drilled in the S/2 of Section 6, all in Township 19 South, Range 27 East, NMPM, East Lake Field, Eddy County, New Mexico.

(3) That the off-lease storage proposed for Unit J of Section 12, Township 19 South, Range 26 East, NMPM, is necessitated by Bureau of Reclamation restrictions requiring that liquids storage for the above-described wells be located outside the flood plain of Lake McMillan.

(4) That the proposed commingling is the most efficient and economic manner in which to handle the relatively small volumes of liquids being produced by said wells and will not violate correlative rights.

(5) That the ownership in production from said wells is not common throughout.

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(6) That the applicant should meter the oil and water production from said wells by means of non-reset totalizing positive displacement meters.

(7) That the commingling installation should otherwise be governed by the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities" then current.

(8) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Robert N. Enfield, is hereby authorized to commingle liquid production from his Douglas, Walters, and Federal Wells No. 1 located in Units J and B of Section 7 and Unit A of Section 18, respectively, and a gas well to be drilled in the South half of Section 6, all in Township 19 South, Range 27 East, NMPM, East Lake Field, Eddy County, New Mexico.

PROVIDED HOWEVER, that the applicant shall separately measure the oil and water production from each well by means of non-reset totalizing positive displacement meters.

PROVIDED FURTHER, that the applicant shall otherwise be governed by the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities" then current.

(2) That the applicant is further authorized to store the commingled production in surface facilities located in Unit J of Section 12, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

TATE OF NEW MEXICO OIL CONSERVATION DIVISION RAMEY, JOE D. Director

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