Enlied Upsil 2, 1957 4 h.P.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 1202 Order No. R-963

IN THE MATTER OF THE APPLICATION OF BUFFALO OIL COMPANY FOR PERMISSION TO COMMINGLE OIL PRODUCED FROM THE MALJAMAR-PADDOCK POOL WITH PRODUCTION FROM THE MALJAMAR POOL, LEA COUNTY, NEW MEXICO, IN EXCEPTION TO RULE 303 OF THE NEW MEXICO OIL CONSERVATION COMMISSION RULES AND REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on January 30, 1957, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this $39^{t/2}$ day of March, 1957, 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 case and the subject matter thereof.

2. That the applicant, Buffalo Oil Company, proposes to produce its Mitchell B-19 P Well, Section 17, Township 17 South, Range 32 East, NMPM, Maljamar-Paddock Pool, into common tankage with its Mitchell "B" Wells Numbers 17, 18, 25 and 27, all in Section 17, Township 17 South, Range 32 East, NMPM, Maljamar Pool; and likewise, to produce its Mitchell B-22 P Well, Section 20, Township 17 South, Range 32 East, NMPM, Maljamar Paddock Pool, into common tankage with its Mitchell "B" Wells Numbers 9, 10, 11 and 12, all in Section 19, Township 17 South, Range 32 East, NMPM, Maljamar Pool.

3. That the commingling of oil from the Maljamar and Maljamar-Paddock Pools as proposed by the applicant will not cause waste nor violate correlative rights.

4. That the expense of maintaining separate tank batteries for each of the applicant's wells in the Maljamar-Paddock Pool would cause the abandonment of said wells at an earlier date than if the applicant were permitted to produce them into common tankage with the aforementioned wells in the Maljamar Pool. -2-Case No. 1202 Order No. R-963

5. That adequate facilities should be installed to permit separate testing of each well.

6. That the monthly production from each well should be reported separately on Commission Form C-115.

IT IS THEREFORE ORDERED:

1. That the applicant, Buffalo Oil Company, be and it is hereby authorized to produce its Mitchell B-19 P Well, SW/4 SE/4 of Section 17, Township 17 South, Range 32 East, NMPM, Maljamar-Paddock Pool, into common tankage with the following wells in the Maljamar Pool:

Mitchell "B" Well No. 17, SW/4 SW/4 Sec. 17 - T 17S - R 32E, NMPM. Mitchell "B" Well No. 18, SE/4 SW/4 Sec. 17 - T 17S - R 32E, NMPM. Mitchell "B" Well No. 25, NW/4 NE/4 Sec. 17 - T 17S - R 32E, NMPM. Mitchell "B" Well No. 27, SE/4 NW/4 Sec. 17 - T 17S - R 32E, NMPM.

and further, to produce its Mitchell B-22 P Well, NW/4 SW/4 of Section 20, Township 17 South, Range 32 East, NMPM, Maljamar-Paddock Pool, into common tankage with the following wells in the Maljamar Pool:

Mitchell "B" Well No. 9, NE/4 SE/4 Sec. 19 - T 17S - R 32E, NMPM Mitchell "B" Well No. 10, SE/4 SE/4 Sec. 19 - T 17S - R 32E, NMPM Mitchell "B" Well No. 11, NW/4 SE/4 Sec. 19 - T 17S - R 32E, NMPM Mitchell "B" Well No. 12, SW/4 SE/4 Sec. 19 - T 17S - R 32E, NMPM

2. That the applicant shall install adequate facilities on the aforementioned wells to permit the testing of said wells at reasonable intervals.

3. That the monthly production from each well be reported separately on Commission Form C-115.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

3 Maria MURRAY E. MORGAN, Member

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

SEAL