

Entered February 9, 1970
R.S.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4297
Order No. R-3920

APPLICATION OF ANADARKO PRODUCTION
COMPANY FOR LEASE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 4, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of February, 1970, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Anadarko Production Company, is the operator of the Langlie-Mattix Penrose Sand Unit, Langlie-Mattix Pool, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle the Langlie-Mattix production from the Langlie-Mattix Penrose Sand Unit Tracts 2, 16, and 28, comprising, respectively, the W/2 NW/4 of Section 23, the SW/4 SW/4 of Section 23, and the S/2 NW/4 and SW/4 of Section 28, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, with Langlie-Mattix production from the remaining tracts in said unit in a common tank battery, and to allocate the production to each of said Tracts 2, 16, and 28 on the basis of semi-monthly well tests.

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(4) That 99.999219, 99.999962, and 99.999163 per cent, respectively, of the royalty interests in Tracts 2, 16, and 28 have been unitized.

(5) That the cost of maintaining segregated separation, testing, and storage facilities upon each of said Tracts 2, 16, and 28 as the result of an infinitesimal part of the royalty interest not being unitized is excessive.

(6) That the royalty interests in each of said Tracts 2, 16, and 28 that have not been unitized will be adequately protected if production is allocated to each of said tracts upon the basis of semi-monthly well tests.

(7) That approval of the subject application will result in substantial economic savings to the operator, prevent waste, and protect correlative rights, provided the installation of facilities for commingling production will permit the individual testing of each of the wells on said Tracts 2, 16, and 28.

IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized to commingle the Langlie-Mattix production from the Langlie-Mattix Penrose Sand Unit Tracts 2, 16, and 28, comprising, respectively, the W/2 NW/4 of Section 23, the SW/4 SW/4 of Section 23, and the S/2 NW/4 and SW/4 of Section 28, Township 22 South, Range 37 East, NMPM, Langlie-Mattix Penrose Sand Unit, Langlie-Mattix Pool, Lea County, New Mexico, with Langlie-Mattix production from the remaining tracts in said unit in a common tank battery, allocating the production to each of the wells on said Tracts 2, 16, and 28 on the basis of semi-monthly well tests;

PROVIDED HOWEVER, that the facilities for said commingling of production shall be installed and maintained in a manner that will permit a determination of the producing capacity of each of the wells on said Tracts 2, 16, and 28 at least twice each month;

PROVIDED FURTHER, that the applicant shall conduct semi-monthly productivity tests on each of the wells on said Tracts 2, 16, and 28 and shall file the results of said tests with the Commission's District Office at Hobbs, New Mexico, on Commission Form C-116 each month.

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(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

DAVID F. CARGO, Chairman

Alex J. Armijo
ALEX J. ARMILLO, Member

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

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