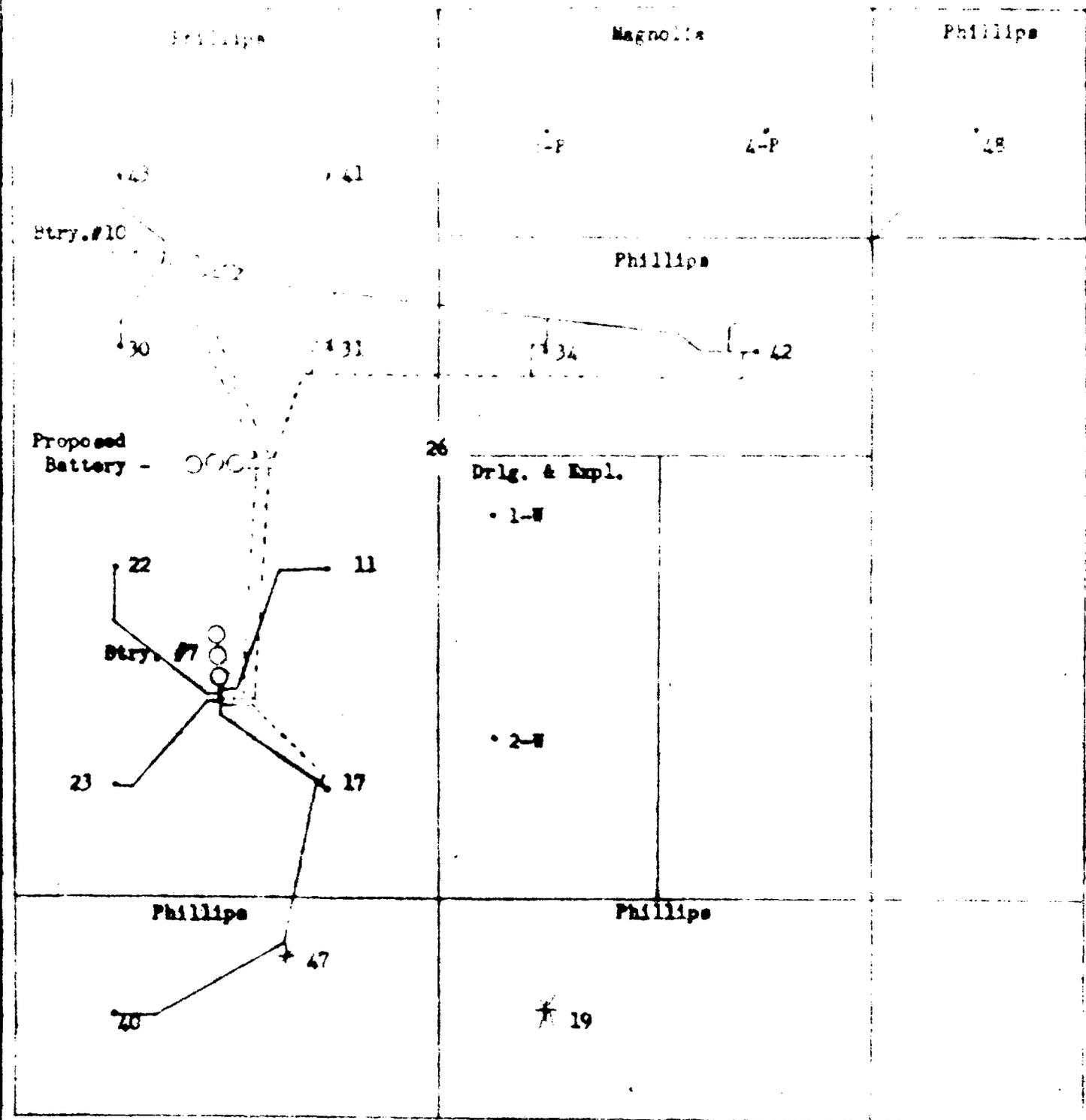


Ex No 1 Case 327



ILLEGIBLE

BARTLESVILLE, OKLAHOMA

SANTA FE LEASE

BATTERIES No. 7 and No. 11

T-17-S R-35E, Lea County, New Mexico

-----Proposed Oil Lines

Existing Oil Lines

DRAWN	JCF	REVISION	BY	DATE	AFE NO	SWG NO
CHECKED						
APPROVED					SCALE 5" = 1 Mi.	SHEET NO

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

THE PETITION OF PHILLIPS PETROLEUM  
COMPANY FOR AN EXCEPTION TO COMMISSION  
RULE 309 "CENTRAL TANK BATTERIES," TO  
PERMIT PRODUCTION OF TWELVE WELLS IN  
THE W/2 SECTION 26, T. 17 S, R. 35 E, NMPM,  
INTO ONE CONSOLIDATED TANK BATTERY

CASE No. 327  
ORDER No. R-123

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 a.m., November 20, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," all members being present.

NOW, this 18 day of December, the Commission, a quorum being present, having considered the testimony adduced 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 the Phillips Petroleum Company holds a certain lease, designated as the Santa Fe Lease, in Section 26, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, on which are twelve producing wells designated as Nos. 30, 31, 34, 41, 42, 43, 48, 11, 17, 22, 23, and 40.

(3) That, in order to facilitate the production of these wells, it is desirable that petitioner be allowed to produce said wells into one central tank battery, contrary to provisions of Commission Rule No. 309, said rule being Rule 309 of the New Mexico Oil Conservation Commission Rules and Regulations, effective January 1, 1950, and that an exception should be made to said Rule 309.

(4) That the granting of such exception will prevent waste, protect correlative rights, prevent undue hardship, and accomplish substantial savings in steel.

IT IS THEREFORE ORDERED:

That the Phillips Petroleum Company be, and the same hereby is granted permission to produce twelve wells on its Santa Fe Lease, W/2 section 26, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, into one consolidated tank battery, said wells being designated as wells Nos. 30, 31, 34, 41, 42, 43, 48, 11, 17, 22, 23 and 40, as an exception to Commission Rule 309, New Mexico Oil Conservation Commission Rules and Regulations, January 1, 1950.

IT IS FURTHER ORDERED:

That this order be conditioned upon strict compliance upon the part of petitioner, its successors or assigns, with all provision of said Rule 309, save only the exception herein granted, otherwise this order is to be of no force or effect whatever.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Edwin L. Mechem*  
EDWIN L. MECHEM, Chairman

*Guy Shepard*  
GUY SHEPARD, Member

*R. H. Spurrer*  
R. H. SPURRIER, Secretary