

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. 807
Order No. R-578

THE APPLICATION OF GULF OIL
CORPORATION FOR AN EXCEPTION
TO RULE 309 IN THE UTILIZATION OF
A SINGLE TANK BATTERY FOR PRO-
DUCTION FROM A MAXIMUM OF 12
WELLS DRILLED TO THE BLINEBRY
FORMATION ON ITS HARRY LEONARD
"F" LEASE IN THE TERRY-BLINEBRY
OIL POOL, COMPOSED OF LOTS 1, 2,
7, 8, 9, 10, 15, 16, AND THE SE/4 OF
SECTION 2, TOWNSHIP 21 SOUTH, RANGE
37 EAST, NMPM, LEA COUNTY, NEW
MEXICO.

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, hereinafter referred to as the "Commission".

NOW, on this 9th day of February, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises;

FINDS:

1. That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
2. That the Commission has power and authority to permit the production of more than eight wells on the same lease into a common tank battery after notice and hearing by the Commission.
3. That applicant, Gulf Oil Corporation, is the owner of oil and gas lease in Lea County, New Mexico, the land consisting of:

TOWNSHIP 21 South, RANGE 37 East, NMPM
Lots 1, 2, 7, 8, 9, 10, 15, 16 and
SE/4 of Sec. 2.

4. That the above-described acreage has the same royalty interests, the same being the State of New Mexico.

5. That the central tank battery will have adequate facilities for the storage and handling of production from the wells, and that adequate, suitable equipment is available to permit the taking of all required state tests.

6. That the central tank battery will be in the best interests of economy and efficiency.

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

8. That no objection by the Commissioner of Public Lands has been entered.

IT IS THEREFORE ORDERED:

That the application of Gulf Oil Corporation for an exception to Rule 309 be, and the same hereby is approved, and Gulf Oil Corporation be and it hereby is authorized to establish, maintain and operate a central tank battery to receive production from wells completed in the Terry-Blinebry Oil Pool on the following described contiguous portions of its Harry Leonard "F" Lease:

TOWNSHIP 21 South, RANGE 37 East, NMPM
Lots 1, 2, 7, 8, 9, 10, 15, 16, and SE/4 of Sec. 2

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

PROVIDED FURTHER, That no well now or hereafter connected to such tank battery be permitted to produce at a rate in excess of top allowable as now or hereafter may be fixed for the Terry-Blinebry Oil Pool.

IT IS FURTHER ORDERED:

That jurisdiction of this case is hereby retained for the 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
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary

