

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 28, 1955

Wilson Oil Company
P.O. Box 627
Santa Fe, New Mexico

Gentlemen:

We enclose a copy of each of the following Orders issued
November 21, 1955, by the Oil Conservation Commission:

Order R-720 in Case 972
Order E-721 in Case 973.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:brp
Encls.

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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. 973
Order No. R-721

THE APPLICATION OF WILSON OIL
COMPANY FOR EXCEPTION TO RULE
309 (a) FOR THE CENTRALIZATION OF
TANKAGE FOR A MAXIMUM OF 15 WELLS
TO BE PRODUCED FROM THE WILSON
STATE LEASES B-11610, B-9084 AND E-229,
SECTIONS 14 AND 23, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, NMPM, IN THE WILSON
POOL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on October 20, 1955, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner, appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 21st day of November, 1955, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application, the transcript of testimony and record, and the recommendations of the Examiner, Warren W. Mankin, 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 cause and the subject matter thereof.
2. That the applicant, Wilson Oil Company, is the owner and operator of New Mexico State Leases B-11610, B-9084 and E-229, located in Sections 14 and 23, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.
3. That there are 12 existing wells on the above-mentioned contiguous leases producing from the Wilson Pool, a common reservoir and that said leases include 16 possible proration units with the above-mentioned 12 producing wells. That applicant presently is producing all the oil from its above described leases into tank batteries at a common location in the SW/4 NE/4 Section 23, Township 21 South, Range 34 East.

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4. That under Order R-243, Case 605, applicant was granted permission to drill as many as 3 unorthodox locations on the subject leases.

5. That it is the intent of applicant to drill these unorthodox locations as alternate wells but in no event will there be more than 15 producing wells producing into the centralized battery.

6. That for reasons of efficiency and economy, applicant desires to use common tankage for the storage and measurement of oil produced from the Wilson Pool, underlying the above described leases.

7. That the central tank battery has suitable and adequate facilities for the storage and handling of the production from a maximum of 15 wells on the above-described leases, and that suitable equipment is installed whereby the production from each well on the above-described lands may be accurately determined as prescribed by the Rules and Regulations of the Commission.

8. That the above described acreage is of one common royalty interest, the same being the State of New Mexico.

9. 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 (a) should be granted.

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

IT IS THEREFORE ORDERED:

That the application of Wilson Oil Company for an exception to Rule 309 (a) be, and the same is, hereby granted and approved. That Wilson Oil Company be and it is hereby authorized to establish, maintain and operate a central tank battery located in the SW/4 NE/4 Section 23, Township 21 South, Range 34 East, to receive production from a maximum of 15 wells to be completed in the Wilson Pool on the following described state leases: B-11610, B-9084 and E-229 and consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
SE/4 SE/4 Section 14
W/2, NE/4, N/2 SE/4, SW/4 SE/4 Section 23

Wilson Oil Company is further hereby authorized and granted permission to relocate the said existing tank battery in such a manner that a maximum of fifteen wells will be produced into one central tank battery located on said leases.

IT IS FURTHER ORDERED: That production from applicant's existing wells will be produced into said tank battery and that production from additional wells at unorthodox locations, as heretofore approved by this Commission by Order No. R-243, the total number of wells not to exceed a maximum of fifteen, may likewise be run into said centralized tank battery.

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

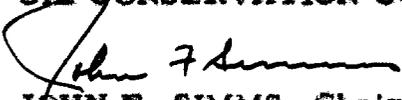
PROVIDED FURTHER, That any well now or hereafter connected to such tank battery will produce its allowable in full compliance with Rule 502 of the Rules and Regulations of the Commission.

PROVIDED FURTHER, That for administrative purposes the effective date of this order will be November 1, 1955.

IT IS FURTHER ORDERED: That jurisdiction of this case is hereby retained for the purpose of revocation and modification under changing conditions.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary



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