

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. 1337
Order No. R-1093-C

APPLICATION OF GULF OIL
CORPORATION FOR TWO AUTOMATIC
CUSTODY TRANSFER SYSTEMS AND
FOR PERMISSION TO COMMINGLE
THE PRODUCTION FROM SEVERAL
SEPARATE POOLS IN LEA COUNTY,
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:00 o'clock a.m. on June 24, 1959, at Santa Fe, New Mexico, before Elvis A. Uts, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Uts, 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, Gulf Oil Corporation, is the owner and operator of the Learoy McBuffington Lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the intermediate grade crude production from the Justis-Ellenburger, Justis-McKee, Justis-Fusselman, and Justis-Montoya Pools from all wells presently completed or hereafter drilled on the said Learoy McBuffington Lease after separately metering the production from each pool, and to pass this commingled production through an automatic custody transfer system.
- (4) That the applicant further proposes to commingle the sour crude production from the Justis-Drinkard, Justis-Blinsbry, Langlie-Mattix, and undesignated Paddock Pools from all wells presently completed or hereafter

drilled on the said Learcy McBuffington Lease after separately metering the production from each pool, and to pass this commingled production through another automatic custody transfer system.

(5) That approval of the subject application will neither cause waste nor impair correlative rights provided the production from each pool is separately metered prior to commingling.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, be and the same is hereby authorized to commingle the intermediate grade crude production from the Justis-Ellenburger, Justis-McKee, Justis-Fusselman, and Justis-Montoya Pools from all wells presently completed or hereafter drilled on its Learcy McBuffington Lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from each pool shall be separately metered prior to commingling.

(2) That after separately metering the production from each of the above-mentioned pools, the applicant be and the same is hereby authorized to pass this commingled production through an automatic custody transfer system.

(3) That the applicant be and the same is hereby authorized to commingle the sour crude production from the Justis-Drinkard, Justis-Blincy, Langlie-Mattix, and undesignated Paddock Pools from all wells presently completed or hereafter drilled on its said Learcy McBuffington Lease.

PROVIDED HOWEVER, That the production from each pool shall be separately metered prior to commingling.

(4) That after separately metering the production from each of the above-mentioned pools, the applicant be and the same is hereby authorized to pass this commingled production through another automatic custody transfer system.

(5) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

That all meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

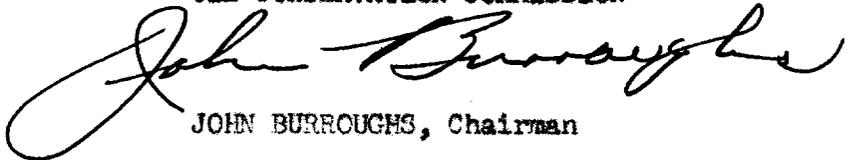
(6) That the applicant shall install adequate testing facilities to permit the testing of all wells located on the said Learcy McBuffington Lease at least once each month to determine the individual production from each zone of each well.

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(7) That Order Nos. R-1093, R-1093-A, and R-1093-B be and the same are hereby superseded.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



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



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