

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. 1662
Order No. R-1399

APPLICATION OF PAN AMERICAN
PETROLEUM CORPORATION FOR
PERMISSION TO COMMINGLE THE
PRODUCTION FROM SEVERAL
SEPARATE FEDERAL LEASES IN THE
EMPIRE-ABO POOL, EDDY COUNTY,
NEW MEXICO, AND FOR PERMISSION TO
PRODUCE MORE THAN SIXTEEN WELLS
INTO A COMMON TANK BATTERY

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 6, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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 25th day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Pan American Petroleum Corporation, is the owner and operator of the following-described Federal leases in the Empire-Abo Pool Eddy County, New Mexico:

LC-067858, N/2 and SW/4 of Section 11
LC-065478-B, N/2 NW/4, NE/4, E/2 SW/4 and
N/2 SE/4 of Section 3; S/2 SE/4
of Section 9; E/2 of Section 10
LC-061783-B, W/2 SW/4 of Section 3

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NM-025604, S/2 SE/4 of Section 3; NE/4 and
N/2 SE/4 of Section 9; W/2 of Section 10
NM-033825, N/2 NE/4 and SW/4 NE/4 of Section 4
NM-025530, SE/4 NE/4 of Section 4
LC-061783-A, SE/4 of Section 4

all in Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

(3) That the applicant proposes to produce the Empire-Abo wells on the following-described acreage into a battery located in the NE/4 NW/4 of said Section 11:

S/2 SE/4 and NE/4 SE/4 of Section 3
E/2 of Section 10
N/2 and SW/4 of Section 11

all in Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

(4) That the applicant proposes to produce the Empire-Abo wells on the following-described acreage into a battery located in the SW/4 SW/4 of said Section 3:

NW/4 SE/4, NE/4, N/2 NW/4 and SW/4 of Section 3
E/2 of Section 4
E/2 of Section 9
W/2 of Section 10

all in Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

(5) That the applicant further proposes to produce more than sixteen wells presently completed or hereafter drilled in the Empire-Abo Pool on the above-described acreage into each of the above-described tank batteries.

(6) That approval of the subject application will neither cause waste nor impair correlative rights provided that the production from each lease is separately metered prior to commingling and provided further that adequate testing and measuring equipment is installed.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, be and the same is hereby authorized to commingle the production from the Empire-Abo Pool from all existing and future wells on the following-described acreage into a common tank battery located in the NE/4 NW/4 of Section 11, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico:

S/2 SE/4 and NE/4 SE/4 of Section 3
E/2 of Section 10
N/2 and SW/4 of Section 11

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(2) That the applicant be and the same is hereby authorized to commingle the production from the Empire-Abo Pool from all existing and future wells on the following-described acreage into a common tank battery located in the SW/4 SW/4 of Section 3, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico:

NW/4 SE/4, NE/4, N/2 NW/4 and SW/4 of Section 3
E/2 of Section 4
E/2 of Section 9
W/2 of Section 10

PROVIDED HOWEVER, That the production from each lease shall be separately measured with a corrosion-resistant type meter prior to commingling.

PROVIDED FURTHER, That meters shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

PROVIDED FURTHER, That meters shall be checked for accuracy at least once each 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."

PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of each well at least once each month to determine the individual production from each well.

(3) That Order No. R-1295 be and the same is 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

