BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CONTINENTAL OIL COMPANY FOR
AMENDMENT OF ORDER NO. R-1440 TO
PERMIT COMMINGLING WITHOUT SEPARATELY
METERING THE TUBB AND BLINEBRY
CRUDE PRODUCED ON ITS LOCKHART A-17
LEASE IN SECTION 17-T21S-R37E, NMPM,
LEA COUNTY, NEW MEXICO.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and requests the amendment of Order No. R-1440 so as to permit applicant to commingle without separate measurement the Tubb and Blinebry crude produced on its Lockhart A-17 Lease in Section 17-T21S-R37E, NMPM, Lea County, New Mexico, and in support thereof would show:

1. That application was filed in case No. 1632 for permission to commingle the production from the two pools enumerated above and that hearing thereon was held on June 3, 1959, before the Commission's duly appointed examiner.

2. That Order No. R-1440 was entered in July, 1959, requiring separate treating and metering of the crudes before commingling.

3. That the initial potential of the Tubb well was 20 barrels of oil per day and is not expected to increase; and the current production from the Blinebry well is five barrels per day. No additional completions in these formations are anticipated on this lease.

4. That the commingling will result in savings of money otherwise required for equipment and will conserve hydrocarbons by reducing evaporation losses.

5. That the requirements of Order No. R-1440 are unduly severe and will result neither in prevention of waste nor the protection of correlative rights but will instead result in economic and physical waste.

Wherefore, applicant prays that this matter be set for hearing before the Commission's duly appointed examiner, that appropriate notice thereof be given, and that upon hearing Order No. R-1440 be amended as described above.

Respectively submitted,

CONTINENTAL OIL COMPANY
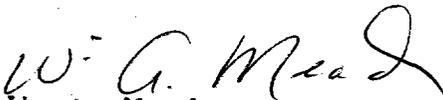
W. A. Mead
Division Superintendent
of Production
New Mexico Division

WAM-BLF