

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. 2138
Order No. R-1842

APPLICATION OF SKELLY OIL COMPANY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE POOLS,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 12, 1960, 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 21st day of December, 1960, 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, Skelly Oil Company, is the owner and operator of the Baker "B" Lease, consisting of the SW/4 and the W/2 SE/4 of Section 10, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks permission to commingle, without separate measurement, the production from the Penrose Skelly Pool with the production from the Drinkard Pool from all wells presently completed on the above-described Baker "B" Lease.

(4) That inasmuch as no well on the subject lease is capable of making top unit allowable from either pool, separate measurement of the production from each pool should not be required.

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

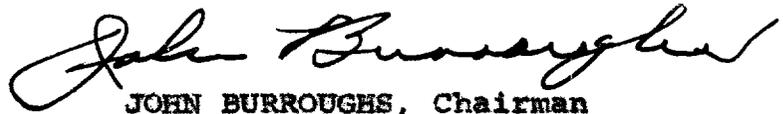
That the applicant, Skelly Oil Company, be and the same is hereby authorized to commingle, without separately measuring, the production from the Penrose Skelly Pool with the production from the Drinkard Pool from all wells presently completed on the Baker "B" Lease, consisting of the SW/4 and the W/2 SE/4 of Section 10, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

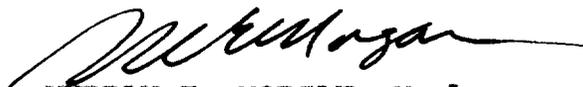
PROVIDED HOWEVER, That should any well on the subject lease become capable of producing a top unit allowable from either pool, the applicant shall separately measure the production from each pool and shall notify the Commission's Santa Fe Office of such action.

PROVIDED FURTHER, That the applicant shall install adequate facilities to permit the testing of all wells on the said Baker "B" Lease at least once each month to determine the individual production from each well.

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

