

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEPTION
TO RULE 309(a) IN ORDER TO INSTALL AN
AUTOMATIC CUSTODY TRANSFER SYSTEM FOR
ALL WELLS PRODUCING FROM THE MONUMENT,
EUNICE, AND EUMONT OIL POOLS WITHIN THE
BOUNDARIES OF THE REED B-23 AND REED B-24
LEASES CONSISTING OF THE E/2 AND S/2 SW/4
OF SECTION 23 AND SW/4 SECTION 24, T-20S,
R-36E, NMPM, LEA COUNTY, NEW MEXICO.

Case 2155

A P P L I C A T I O N

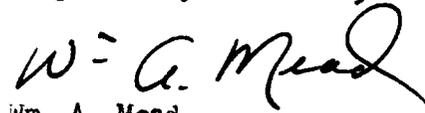
Comes now applicant, Continental Oil Company, and respectfully requests an exception to statewide Rule No. 309(a) for permission to install an automatic custody transfer system for all wells producing from the Monument, Eunice, and Eumont Oil Pools within the boundaries of the Reed B-23 and Reed B-24 leases consisting of the E/2 and S/2 SW/4 of Section 23 and SW/4 Section 24, T-20S, R-36E, NMPM, Lea County, New Mexico, and in support thereof would show:

1. That the applicant is co-owner and operator of the Reed B-23 and Reed B-24 leases consisting of the E/2 and S/2 SW/4 of Section 23 and SW/4 Section 24, T-20S, R-36E, NMPM, Lea County, New Mexico.
2. That the Reed B-23 and Reed B-24 leases are part of the same basic lease.
3. That the royalty interests are common, that being the United States Government.
4. That applicant proposes to consolidate the existing tank batteries and install an automatic custody transfer system.
5. That approval to commingle the oil production from the Monument, Eunice, and Eumont Oil Pools is being sought under the provisions of Rule 663 of the New Mexico Oil Conservation Commission.
6. That the proposed installation in exception to Rule 309(a) is in the interest of conservation and prevention of waste.

Wherefore, applicant prays that this matter be set for hearing before the Commission's duly qualified examiner and that upon hearing an order be entered granting applicant permission to install an automatic custody transfer system on the above described property.

*Hooker
Mailed
12-27-60*

Respectfully submitted,

A handwritten signature in black ink that reads "Wm. A. Mead". The signature is written in a cursive style with a large, looping initial "W" and a long, sweeping tail on the "d".

Wm. A. Mead
Division Superintendent
of Production
New Mexico Division