

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF NEARBURG )  
& INGRAM FOR AN ORDER OF THE COMMISSION )  
AUTHORIZING IT TO COMMINGLE OIL FROM THE )  
TWO SEPARATE LEASES IN THE SOUTHWEST GLADIOLA )  
PENNSYLVANIAN POOL, LEA COUNTY, NEW MEXICO. )

NO. 2266

APPLICATION

COMES NOW Nearburg & Ingram, through its Attorneys,  
Campbell & Russell, and states:

1. It is the owner and operator of the Midhurst Well No. 1 located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 35, being on the Midhurst Lease consisting of the NW $\frac{1}{4}$  of Section 35, and it is the owner and the operator of the No. 1 Keating Well located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 34, being on its Keating Lease, consisting of the NE $\frac{1}{4}$  of Section 34, all in Township 12 South, Range 37 East, in the Southwest Gladiola Pool in Lea County, New Mexico.

2. Its Midhurst Well No. 1 is a dually completed well, said dual completion having been authorized by this Commission in its Order No. R-1837 being completed in the Pennsylvanian and in the Devonian Formations. It has now completed its No. 1 Keating Well in the Pennsylvanian Formation only.

3. By its Order No. R-1837, the Commission authorized the installation of an automatic custody transfer system to handle production commingled from the Pennsylvanian Formation and the Devonian Formation from the Midhurst Lease.

4. Applicant now desires to separately meter and commingle oil from its No. 1 Keating Well with Pennsylvanian oil from

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the Midhurst Well No. 1 and to meter and measure such oil through its automatic custody transfer system.

5. The leases from which oil will be commingled are contiguous and production is from the same common source of supply. The ownership of the working interest is common.

6. All royalty owners have consented in writing to the commingling of production from the separate leases and all owners of adjoining oil and gas leases have been notified in writing and have consented to the commingling of production from the separate leases.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing before an Examiner for the Commission, to publish notice as required by law and, after hearing, to enter its order permitting Applicant to commingle oil from the Pennsylvanian formation on its Keating Lease with oil from the Pennsylvanian formation on its Midhurst Lease.

Respectfully submitted,

NEARBURG & INGRAM

By   
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Jack M. Campbell, for  
CAMPBELL & RUSSELL  
P. O. Drawer 640  
Roswell, New Mexico

Attorneys for Applicant

DATED: March 30, 1961