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CASE No. 1928
Order No. R-1573-A

commingling authorization, said 40-acre tract being the NW/4 NW/4 of Section 5, Township 18 South, Range 28 East, NMPM Eddy County, New Mexico, a portion of State lease B-11594.

(4) That the applicant proposes to install an automatic custody transfer system to handle the Empire-Abo Pool production from all wells presently completed or hereafter drilled on the leases described in Findings 2 and 3, separately metering the production from each lease.

(5) That all meters used in the above-described automatic custody transfer system should be checked for accuracy once each month and the results of such tests furnished to the Commission.

(6) That the previous use of automatic custody transfer equipment, similar to that proposed by the applicant, has shown that such equipment is a reliable and economic means of transferring the custody of oil, and that the use of such equipment should be permitted, provided adequate safety features are incorporated.

IT IS THEREFORE ORDERED:

(1) That Order No. R-1573, be and the same is hereby superseded.

(2) That the applicant, Franklin, Aston & Fair, Inc., be and the same is hereby authorized to commingle the Empire-Abo Pool production from all wells presently completed or hereafter drilled on the following-described State leases in Eddy County, New Mexico, and to install automatic custody transfer equipment to handle said production:

B-11594	NW/4 NW/4 of Section 5 and NE/4 NW/4, S/2 NW/4 and N/2 SW/4 of Section 6, Township 18 South, Range 28 East
B-7966	SE/4 SW/4 of Section 31, Township 17 South, Range 28 East
B-2071	W/2 SE/4 of Section 31, Township 17 South, Range 28 East

PROVIDED HOWEVER, That the production from each of said leases shall be separately metered prior to commingling.

PROVIDED FURTHER, That the applicant shall install high level safety shut-in switches in the storage tanks which will shut-in the wells at the header, thus preventing the overflow of oil in the event of malfunction of the equipment.

PROVIDED FURTHER, That the automatic custody transfer

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system shall be so equipped as to shut-in the flowing wells at the wellhead in the event of a flow-line break.

PROVIDED FURTHER, That the applicant shall install adequate facilities to permit the testing of all wells on the above-described leases at least once each month to determine the individual production from each well.

IT IS FURTHER ORDERED:

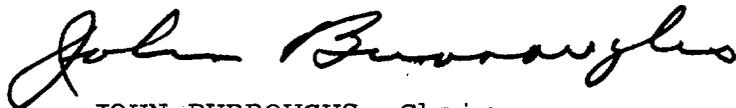
That all meters used in the above-described automatic custody transfer system shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

That meters shall be checked for accuracy at least once each month until further direction by the Secretary-Director.

That 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."

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

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