

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

TRANSCRIPT OF HEARING

CASE NO. 327

November 20, 1951

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

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In Re:

In the Matter of the application of)
Phillips Petroleum Company for an)
exception to Commission Rule 309)
(Central Tank Batteries) to permit)
production of 12 wells in W/2 26-17S-)
35E into one consolidated tank battery.)

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(Mr. Kellahin reads the notice of publication.)

MR. FOSTER: I would like to make a little statement about that, too. I don't see any necessity to putting on any testimony unless somebody wants it. The rule gives you eight. We want twelve. You have another rule that gives us that, and that is Rule 1 B. That gives you the right to have extension to Rule 309. I have a plat here that I will introduce. We have it marked up a little bit. This plat shows that we have two tank batteries located here in this section. It is in Section 26, Township 17 South, Range 35 East, Lea County, New Mexico. We have tank battery No. 10 and tank battery No. 7. Going into tank battery No. 10, I think we have seven or eight wells. Going into battery No. 7, we have five wells but one of them is plugged. That just leaves five. That makes up twelve wells and we want to move our tank battery down to more central location and put all of these twelve wells into that one tank battery. It is on State land and the royalty owners are all common. We can give you a well test at certain periods to show that we are doing what is right about it, and we are not producing oil out of one well for some other well that isn't producing any oil. I can't see any objection to it unless the Commission can find some objection to it. It will save us some steel. It will save us quite a bit of trouble in sending these checkers around to check the different batteries. The car mileage and things of that sort.

CHAIRMAN SPURRIER: When you say it is common lease.

MR. FOSTER: Common lease, common ownership all the way throughout.

CHAIRMAN SPURRIER: It is all common?

MR. FOSTER: It is all common.

(Marked Exhibit Number One in Case 327.)

CHAIRMAN SPURRIER: You want to offer this?

MR. FOSTER: Yes.

CHAIRMAN SPURRIER: Without objection, this exhibit will be admitted.

MR. FOSTER: In our letter we wrote it tells the whole story about it.

MR. WHITE: Under your proposal you will have adequate tankage and other facilities to show the production from each well as required by the rule?

MR. FOSTER: Yes, we can give you what is coming from each well and you can establish a periodical well test if you like so you can see what each well is producing into the common tank battery. We worked out this sort of thing with the State of Texas in a good many instances. We have been operating under that since just before World War II. It has worked out satisfactorily.

CHAIRMAN SPURRIER: There seems to be no objection, but the case will be taken under advisement. We will proceed to Case No. 329.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I HEREBY CERTIFY that the foregoing and attached Transcript of Proceedings in Case No. 327, before the Oil Conservation Commission, taken on November 20, 1951, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, Dec. 5th,
1951.

Ada Dearnley
REPORTER