

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. 495  
Order No. R-315

THE APPLICATION OF CITIES SERVICE  
OIL COMPANY FOR AUTHORIZATION TO  
COMMINGLE IN A COMMON TANK BATTERY  
OIL PRODUCED FROM ITS STATE 'AC' AND  
'AG' LEASES IN THE SAUNDERS POOL, LEA  
COUNTY, NEW MEXICO, AS AN EXCEPTION  
TO RULE 309.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this <sup>10<sup>th</sup></sup> day of April, 1953, the Commission, a quorum being present, having considered the testimony adduced and the exhibits introduced, 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.
2. That the acreage located in the Saunders Pool, Lea County, New Mexico, the subject matter of the application herein, is all state-owned, held under State Lease B-9858 and State Lease B-9957, of the applicant, and the separate tracts are contiguous, with common institutional ownership of minerals.
3. That for further identification the applicant terms the tracts its "AC" and "AG" leases, respectively.
4. That by reason of practical convenience and economy, and in absence of objection by the Commissioner of Public Lands of New Mexico, exception to Rule 309 should be granted, provided ample facilities are provided for testing specifically the production of each connected well.

IT IS THEREFORE ORDERED:

That the application of Cities Service Oil Company for an exception to Rule 309 be and the same hereby is approved, and that Cities Service Oil Company be and it hereby is authorized to establish, maintain and operate a central tank battery to receive production from wells completed in the Saunders Pool on its State "AC" and State "AG" leases, being described as:

Township 15 South, Range 33 East, NMPM  
E/2 NE/4 and N/2 SE/4 of Section 9

and

Township 15 South, Range 33 East, NMPM  
S/2 SE/4 Section 9

respectively, in the Saunders Pool, Lea County, New Mexico;

PROVIDED, HOWEVER, That adequate tankage and pertinent equipment are installed and maintained so as to permit specific production tests of each and every connected well at reasonable intervals or upon request of the Commission, or of the Commissioner of Public Lands, and

PROVIDED FURTHER, That no well now or hereafter connected to such tank battery be permitted to produce at a rate in excess of top allowable as now or hereafter may be fixed for the Saunders Pool.


IT IS FURTHER ORDERED: That jurisdiction of this case is hereby retained for purpose of revocation and modification under changed conditions.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
EDWIN L. MECHEM, Chairman

  
E. S. WALKER, Member

  
R. R. SPURRIER, Secretary

S E A L