

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 12, 1955

Mr. Jason W. Kellahin
P.O. Box 597
Santa Fe, New Mexico

Dear Mr. Kellahin:

In behalf of your clients we enclose two copies of each of the following orders of the Oil Conservation Commission:

Order No. R-673 in Case 923
Order No. R-679 in Case 928

These were signed August 11, 1955.

Very truly yours,

W. B. Macey
Secretary - Director

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 923
Order No. R-673

THE APPLICATION OF LOWRY ET AL
OPERATING ACCOUNT FOR PERMISSION
TO COMMINGLE OIL PRODUCED FROM
TWO ADDITIONAL FEDERAL LEASES IN
THE SOUTH BLANCO-TOCITO POOL, RIO
ARRIBA COUNTY, NEW MEXICO, INTO
COMMON TANKAGE, ALONG WITH PRE-
VIOUSLY APPROVED COMMINGLED TANKAGE
ON TWO OTHER FEDERAL LEASES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on June 28, 1955, on the petition of Lowry et al Operating Account, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 11th day of August, 1955, the Commission, a quorum being present, having considered the records and testimony presented, and being fully advised in the premises;

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That petitioner is the owner of the following Federal leases in Rio Arriba County, New Mexico: NM-03551, SF-079035-A, NM-03381, and NM-03553.
- (3) That petitioner was granted permission to gauge or meter oil production from Federal lease NM-03551 and Federal lease SF-079035-A into a common or central tank battery by Order R-532 on October 4, 1954.
- (4) That in order to increase the efficiency of operation and reduce economic losses, petitioner should be permitted to meter and gauge oil production from the following leases in the South Blanco-Tocito Oil Pool into a central tank battery: NM-03551, SF-079035-A, NM-03381, and NM-03552, and that such procedure will not adversely affect the royalty owners on the four leases inasmuch as the royalty interests in the four leases is common.

(5) That the use of a central tank battery is in the interests of conservation and will prevent waste .

IT IS THEREFORE ORDERED:

(1) That the application of Lowry et al Operating Account for permission to gauge oil production from Federal Lease NM-03381 and Federal Lease NM-03553 together with the production from Federal Lease NM-03551 and Federal Lease SF-079035-A in a common or central tank battery in exception to Rule 309 (a) be approved, such approval to be effective upon the occurrence of the following events:

(a) The approval of this plan of common tankage by the U. S. Geological Survey.

(b) That the applicant make suitable provision, to be approved by the Commission, for the metering of oil production so that proper accounting can be made to all persons having an interest in such production.

IT IS FURTHER ORDERED, that after the effective date of the approval of this order, tests be made at regular intervals of not less than once each month to determine water content of oil produced, and the oil produced from the various operating accounts under the method of accounting set up by the applicant as operator.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms

JOHN F. SIMMS, Chairman

E. S. Walker

E. S. WALKER, Member

W. B. Macey

W. B. MACEY, Member and Secretary

