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. 1045 Order No. R-793

THE APPLICATION OF CONTINENTAL OIL COMPANY FOR AN ORDER GRANTING AN EXCEPTION TO STATEWIDE RULE 309 (a) FOR PERMISSION TO PRODUCE INTO A COMMON TANK BATTERY A MAXIMUM OF TWELVE WELLS PRODUCING FROM THE ARROWHEAD POOL ON ITS STATE J-2 LEASE LOCATED IN SECTION 2, TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on March 28, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission.

NOW, on this of day of April 1956, the Commission, a quorum being present, having considered the application and the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, 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 case and the subject matter thereof.
- (2) That applicant is the owner of an oil and gas lease designated as the State J-2 lease comprising the N/2 and SE/4 Section 2, Township 22 South, Range 36 East, Lea County, New Mexico.
- (3) That applicant has drilled and completed on said lease twelve wells which are producing from the Arrowhead Pool.
- (4) That the gathering lines are located so that production from all twelve wells into the common tank battery located in said Section 2 may be done without waste.
- (5) That sufficient equipment has been installed to properly expedite all tests required by the Commission for each well.

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- (6) That the royalty interests are common, that being the State of New Mexico.
- (7) That an order should be granted in absence of objection from the Commissioner of Public Lands.
- (8) That no objection has been entered by the Commissioner of Public Lands.

IT IS THEREFORE ORDERED:

That application of Continental Oil Company for an order granting approval of an exception to Rule 309 (a) of the Commission's Statewide Rules and Regulations to permit the production of oil into a common tank battery from the Arrowhead Pool from a maximum of twelve wells located on applicant's State J-2 Lease in Section 2, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, said central tank battery being located on Section 2 of said lease be and the same is hereby approved.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E.S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

