

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. 1061
Order No. R-807

THE APPLICATION OF NEVILLE G.
PENROSE, INC., FOR AN ORDER
GRANTING AN EXCEPTION TO RULE
309 (a) OF THE NEW MEXICO OIL
CONSERVATION COMMISSION STATEWIDE
RULES AND REGULATIONS IN THE
GRANTING OF PERMISSION TO TRANSPORT
OIL FROM ITS SCHARBAUER NO. 1 WELL
LOCATED ON ITS SCHARBAUER LEASE,
CONSISTING OF THE NE/4 NW/4 SECTION
25, TOWNSHIP 17 SOUTH, RANGE 35 EAST,
NMPM, VACUUM POOL, LEA COUNTY, NEW
MEXICO, TO A STORAGE BATTERY LOCATED
AT A POINT OTHER THAN ON SAID LEASE,
SAID BATTERY BEING IN THE SW/4 SW/4
SECTION 24, TOWNSHIP 17 SOUTH, RANGE
35 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m.
April 25, 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 Commission State-
wide Rules and Regulations.

NOW, on this 28th day of May 1956, the Oil Con-
servation Commission of New Mexico, hereinafter referred to as the
"Commission", a quorum being present, having considered said appli-
cation, 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, Neville G. Penrose, Inc., is the
operator of its Scharbauer No. 1 Well located 330 feet from the
North line and 1650 feet from the West line of Section 25, Township
17 South, Range 35 East, NMPM, Lea County, New Mexico, said NE/4
NW/4 of Section 25 comprising applicant's Scharbauer Lease in its
entirety.

(3) That in order to facilitate the transporting of oil by Texas-New Mexico Pipeline Company it is necessary for applicant to set its storage tanks on acreage other than that in its Scharbauer lease.

(4) That said tanks are now located on SW/4 SW/4 of Section 24, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, which is the applicants State Lease and are presently receiving oil from applicant's Scharbauer No. 1 Well.

(5) That there is no intent to commingle production.

IT IS THEREFORE ORDERED:

1. That the application of Neville G. Penrose, Inc., for an order granting an exception to Rule 309 (a) of the State-wide Rules and Regulations in the establishment of a tank battery in the SW/4 SW/4 Section 24, Township 17 South, Range 35 East, NMPM, to receive production from its Scharbauer No. 1 Well located on the NE/4 NW/4, Section 25, Township 17 South, Range 35 East, NMPM, Vacuum Pool, Lea County, New Mexico, said NE/4 NW/4 Section 25 comprising the applicant's Scharbauer 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 and Secretary

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