

**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. 1413
Order No. R-1157**

**APPLICATION OF AUSTRAL OIL EXPLORATION
COMPANY FOR AN ORDER AUTHORIZING IT TO
COMMINGLE THE PRODUCTION FROM ALL WELLS
ON ITS W. M. SNYDER "B" LEASE AND ITS
W. M. SNYDER "C" LEASE, TOWNSEND-WOLFCAMP
POOL, LEA COUNTY, NEW MEXICO, IN A COMMON
TANK BATTERY.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 9, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, herein-after referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 22nd day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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 and the subject matter thereof.

(2) That the applicant, Austral Oil Exploration Company, is the operator of the W. M. Snyder "B" Lease, consisting of Lots 9, 10, 15, and 16 and the SE/4 of Section 6, and the W. M. Snyder "C" Lease, consisting of Lot 5 of Section 5 and Lots 1, 7, and 8 of Section 6, all in Township 16 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the maximum number of 40-acre units to be commingled will be 12.

(4) That the royalty and working interests in the above-described W. M. Snyder "B" Lease and W. M. Snyder "C" Lease are the same.

(5) That approval of the subject application will not cause waste nor impair correlative rights provided adequate testing equipment and storage facilities are installed.

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IT IS THEREFORE ORDERED:

1. That the application of Austral Oil Exploration Company for an order authorizing it to commingle the production from all wells completed in the Townsend-Wolfcamp Pool, Lea County, New Mexico, on its W. M. Snyder "B" Lease, consisting of Lots 9, 10, 15, and 16 and the SE/4 of Section 6, and on its W. M. Snyder "C" Lease consisting of Lot 5 of Section 5 and Lots 1, 7 and 8 of Section 6, all in Township 16 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby granted.

PROVIDED HOWEVER, That the applicant shall furnish sufficient storage capacity to prevent the overflow and the wasting of oil produced into the common tank battery.

PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of all wells located on the above-described leases at least once a month to determine the individual production from each of said wells.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

EDWIN L. MECHEM, Chairman

Murray E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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

