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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF MAGNOLIA PETROLEUM COMPANY FOR
AN EXCEPTION TO STATEWIDE RULE 303
TO PERMIT COMMINGLING OF PRODUCT-
ION FROM THE WANTZ ABO AND TERRY
BLINEBRY OIL POOLS ON ITS STEPHENS
ESTATE LEASE, LEA COUNTY, NEW MEX-
ICO.

CASE NO. 1518

A P P L I C A T I O N

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF
NEW MEXICO:

COMES NOW Magnolia Petroleum Company, Applicant
herein, and respectfully alleges and states as follows:

1. That it is the owner and operator of an oil
and gas lease, known as its Stephens Estate Lease, which
includes all of the Southwest quarter of Section twenty-
four, Township twenty-one South, Range thirty-seven East,
Lea County, New Mexico.

2. That there have heretofore been completed
upon said lease applicant's Stephens Estate No. 1, which
is classified as an oil well in the Wantz Abo formation
and applicant's Stephens Estate No. 2, which is classified
as an oil well in the Terry Blinebry formation.

3. That in order to eliminate the necessity of
duplicate tank battery installations to segregate the pro-
duction from each formation, applicant proposes to commingle
the production from the separate formations in a single
tank battery and to meter and gauge the production from
said formations in such a manner that the production from
each well may be accurately determined.

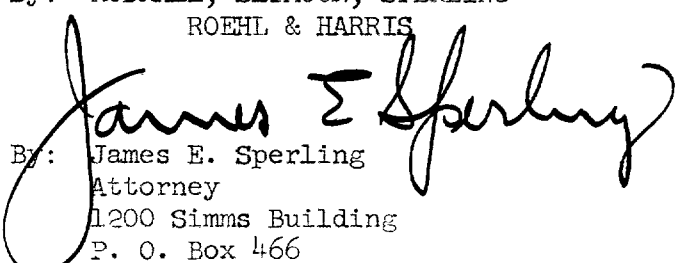
4. That Rule 303 of the Rules and Regulations
of this Commission prohibits the commingling of production
from separate formations prior to marketing.

5. That the granting of this application will
result in the prevention of waste and the protection of
correlative rights of all concerned.

WHEREFORE Applicant prays that this application
be set for hearing, that notice be given as required by
law, and that upon the evidence adduced at such hearing
this Commission issue an order permitting applicant to
commingle the production from its Stephens Estate Lease.

MAGNOLIA PETROLEUM COMPANY

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