

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1529
Order No. R-1276

APPLICATION OF KERSEY & COMPANY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE
POOLS IN EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 22, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 5th day of November, 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, Kersey & Company, is the owner and operator of the Macy No. 1 Well and the Macy No. 2 Well, both of which are located in the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the said Macy No. 1 Well is producing approximately 3 BOPD from the Grayburg-Jackson Pool and that the said Macy No. 2 Well is producing approximately 6 BOPD from the Fren Pool.
- (4) That the applicant proposes to commingle the production from said wells in a common tank battery.
- (5) That the applicant should test said wells monthly in order to determine the production from each.

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(6) That the cost of installing an additional tank battery or a metering separator would be so greatly disproportionate to the revenue produced by said wells as to work an undue financial hardship on the applicant.

(7) That denial of the subject application would cause premature abandonment and resulting waste.

(8) That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Kersey & Company, be and the same is hereby authorized to commingle the production from the Grayburg-Jackson Pool and the Fren Pool from its Macy Wells No. 1 and 2, both of which are located in the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

PROVIDED HOWEVER, That the applicant shall take monthly tests in order to determine the production from each of said wells, and the results of such tests shall be made available to the Commission upon request.

PROVIDED FURTHER, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or appropriate in the light of any subsequent change in conditions.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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



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