

**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. 1536
Order No. R-1272**

**APPLICATION OF SHELL OIL COMPANY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM FOUR SEPARATE STATE
LEASES IN LEA 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, Shell Oil Company, is the owner and operator of the following-described State of New Mexico leases:

State WN Lease,	N/2 NW/4 of Section 8,
State WM Lease,	E/2 NE/4 of Section 8,
State WO Lease,	N/2 SW/4 of Section 8,
State WL Lease,	all of Section 9,

all in Township 16 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to commingle the Hume-Queen Pool production from the above-described leases in a common tank battery.

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(4) That the tank battery should include a test separator in order that each well may be tested monthly.

(5) That the ownership in said four leases is common throughout.

(6) That the Commissioner of Public Lands for the State of New Mexico has approved the commingling of production from the aforementioned State of New Mexico leases.

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

IT IS THEREFORE ORDERED:

That the applicant, Shell Oil Company, be and the same is hereby authorized to commingle the Rums-Queen Pool production from the following-described State of New Mexico leases in a common tank battery:

State WN Lease, N/2 NW/4 of Section 8,

State WM Lease, E/2 NE/4 of Section 8,

State WO Lease, N/2 SW/4 of Section 8,

State WL Lease, all of Section 9,

all in Township 16 South, Range 34 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the tank battery shall include a test separator and each well shall be tested monthly.

PROVIDED FURTHER, That nothing contained herein shall be construed as authorizing the production of more than sixteen wells into a common tank battery.

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

