

**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. 1548
Order No. R-1290-A**

**APPLICATION OF SHELL OIL COMPANY
FOR AN AMENDMENT OF ORDER R-1290
TO ELIMINATE THE REQUIREMENT THAT
PRODUCTION FROM FOUR STATE LEASES
IN THE VACUUM POOL, LEA COUNTY,
NEW MEXICO, BE SEPARATELY METERED
PRIOR TO COMMINGLING.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 25, 1959, 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 2nd day of April, 1959, 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 Order No. R-1290 authorized the applicant, Shell Oil Company, to commingle the production from the following-described state leases in the Vacuum (San Andres) Pool, Lea County, New Mexico, after separately metering the production from each lease:

**State "B" Lease (B-1414) consisting of the E/2
SE/4 of Section 30**

**State "F" Lease (B-2423) consisting of the S/2
SW/4 of Section 29**

**State "A" Lease (B-2354) consisting of the NE/4
of Section 31**

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State "H" Lease (B-2284) consisting of the NW/4
SW/4 of Section 29

all in Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That all interests in the above-described leases are common with the exception of a diverse overriding royalty interest in said State "H" Lease (B-2284).

(4) That the holder of this overriding royalty interest has waived objection to the commingling of the Vacuum (San Andres) production from the above-described leases without separately metering the production from each lease.

(5) That accordingly the applicant seeks an amendment to Order No. R-1290 eliminating the requirement that the Vacuum (San Andres) production from the above-described leases be separately metered prior to commingling.

(6) That the application should be approved and Order No. R-1290 amended as requested.

IT IS THEREFORE ORDERED:

That paragraph 2 of Order No. R-1290 be and the same is hereby amended to allow the applicant, Shell Oil Company, to commingle the Vacuum (San Andres) production from the following-described state leases without separately metering the production from each of said leases:

State "B" Lease (B-1414) consisting of the E/2
SE/4 of Section 30

State "F" Lease (B-2423) consisting of the S/2
SW/4 of Section 29

State "A" Lease (B-2354) consisting of the NE/4
of Section 31

State "H" Lease (B-2284) consisting of the NW/4
SW/4 of Section 29

all in Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
John Burroughs, Chairman

Murray E. Morgan
Murray E. Morgan, Member

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

