

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. 1655
Order No. R-1401

APPLICATION OF SKELLY OIL
COMPANY FOR PERMISSION TO
COMMINGLE THE PRODUCTION
FROM TWO SEPARATE POOLS 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 May 6, 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 25th day of May, 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 the applicant, Skelly Oil Company, is the owner and operator of the State "K" Lease comprising the N/2 NW/4 of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the oil produced from the Tubb Gas Pool with the oil produced from the Drinkard Pool from all wells presently completed or hereafter drilled on the above-described State "K" Lease, after separately metering the production from each pool by means of dump-type or positive displacement meters.
- (4) That the meters used to measure the production from the Drinkard Pool should be of a corrosion-resistant type.
- (5) That approval of the subject application will neither cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to commingle the oil produced from the Tubb Gas Pool with the oil produced from the Drinkard Pool from all wells presently completed or hereafter drilled on its State "K" Lease comprising the N/2 NW/4 of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from each pool shall be separately metered by dump-type or positive displacement meters prior to commingling.

PROVIDED FURTHER, That the meters used to measure the Drinkard production shall be of a corrosion-resistant type.

PROVIDED FURTHER, That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

PROVIDED FURTHER, That meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

PROVIDED FURTHER, That the applicant shall install adequate facilities to permit the testing of all wells located on the said State "K" Lease at least once each month to determine the individual production from each zone of each well.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member


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

