

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. 1676  
Order No. R-1406

APPLICATION OF HUMBLE OIL &  
REFINING COMPANY FOR PERMISSION  
TO COMMINGLE THE PRODUCTION FROM  
TWO SEPARATE LEASES IN AND ADJOINING  
THE CHIMNEY ROCK-GALLUP OIL POOL,  
SAN JUAN COUNTY, NEW MEXICO, AND FOR  
PERMISSION TO PRODUCE MORE THAN  
SIXTEEN WELLS INTO A COMMON TANK  
BATTERY

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 20, 1959, at Santa Fe, New Mexico, before E. J. Fischer, 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 28<sup>th</sup> day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, E. J. Fischer, 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, Humble Oil & Refining Company, is the owner and operator of the following-described Federal leases in and adjoining the Chimney Rock-Gallup Oil Pool, San Juan County, New Mexico:

Navajo "F" Lease (No. 14-20-603-2034) comprising  
all of Sections 3, 4, 9, and 10

Navajo "G" Lease (No. 14-20-603-2033) comprising  
all of Sections 1, 2, 11, and 12

all in Township 31 North, Range 17 West.

-2-

Case No. 1676  
Order No. R-1406

(3) That the applicant proposes to commingle the Gallup production from the above-described leases after separately metering the production from each lease.

(4) That the applicant further proposes to produce more than sixteen wells presently completed or hereafter drilled to the Gallup formation on the aforementioned leases into a common tank battery.

(5) That approval of the subject application will neither cause waste nor impair correlative rights provided that the production from each lease is separately metered prior to commingling and provided further that adequate testing and measuring equipment is installed.

**IT IS THEREFORE ORDERED:**

That the applicant, Humble Oil & Refining Company, be and the same is hereby authorized to commingle the production from the Gallup formation from all existing and future wells on the following-described Federal leases:

Navajo "F" Lease (No. 14-20-603-2034) comprising  
all of Sections 3, 4, 9, and 10

Navajo "G" Lease (No. 14-20-603-2033) comprising  
all of Sections 1, 2, 11, and 12

all in Township 31 North, Range 17 West, NMPM, San Juan County, New Mexico.

**PROVIDED HOWEVER,** That all commingled production shall be from a common source of supply.

**PROVIDED FURTHER,** That the applicant shall install adequate facilities to permit the testing of all wells on the above-described leases at least once each month to determine the individual production from each well.

**PROVIDED FURTHER,** That the production from each lease shall be separately metered prior to commingling.

**IT IS FURTHER ORDERED:**

That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

That all meters shall be checked for accuracy at least once each 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 calibrations filed with the Commission on the Commission form entitled "Meter Test Report."

-3-

Case No. 1676

Order No. R-1406

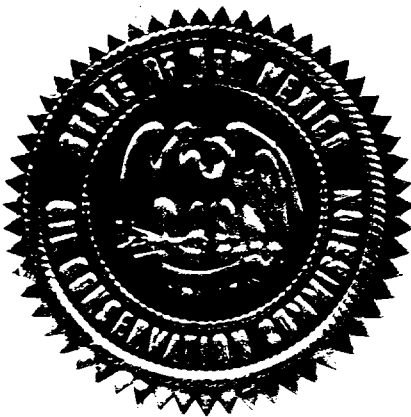
DONE AT Santa Fe, New Mexico, on the day and year hereinabove designated.

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



vem/