

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. 1749
Order No. R-1469

APPLICATION OF INDIANA OIL
PURCHASING COMPANY FOR AN ORDER
AUTHORIZING IT TO PRORATE ITS
OIL PURCHASES IN NEW MEXICO DUE
TO REFINERY STRIKES

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 13, 1959, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 14th day of August, 1959, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 due to refinery strikes and resulting lack of sufficient storage capacity, Indiana Oil Purchasing Company will be unable, for an indefinite period of time, to purchase all oil authorized to be produced from the wells from which it purchases in the State of New Mexico.

(3) That Indiana Oil Purchasing Company should be allowed to reduce its purchases from proration units in New Mexico to an amount not less than 80 percent of the August allowable for such proration units; provided, however, that Indiana Oil Purchasing Company should be required to make 100 percent purchases from all wells from which it purchases in Commission-authorized water flood projects; provided further, that Indiana Oil Purchasing Company should be required to purchase 100 percent of the oil produced from any proration unit producing 10 barrels or less daily; provided further, that Indiana Oil Purchasing Company should not be allowed to reduce its purchases from any proration unit to an amount less than 10 barrels daily providing the unit is capable of producing that amount.

-2-

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IT IS THEREFORE ORDERED:

(1) That Indiana Oil Purchasing Company be and the same is hereby authorized to reduce its purchases from proration units in New Mexico to an amount not less than 80 percent of the August allowable for such proration units.

PROVIDED HOWEVER, That Indiana Oil Purchasing Company shall not reduce its purchases from any proration unit to an amount less than 10 barrels daily, provided that the unit is capable of producing that amount.

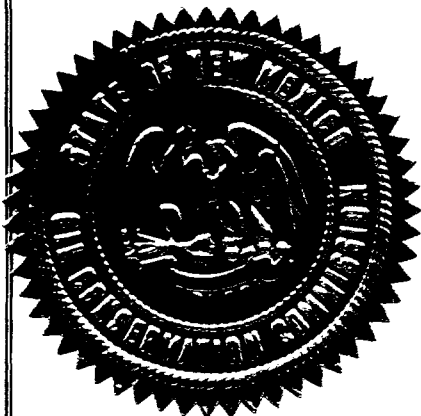
PROVIDED FURTHER, That Indiana Oil Purchasing Company shall purchase 100 percent of the oil produced from any proration unit producing 10 barrels or less daily.

PROVIDED FURTHER, That Indiana Oil Purchasing Company shall purchase all of the oil produced from wells in Commission-authorized water flood projects from which it purchases.

(2) That the effective date of this order is 7 o'clock a.m., Mountain Standard Time, August 15, 1959.

(3) That if purchaser prorationing is still in effect on September 16, 1959, Indiana Oil Purchasing Company shall appear at the regular Commission hearing on that date and advise the Commission as to why continued purchaser prorationing is necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John T. Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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

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