

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
AMERADA PETROLEUM CORPORATION FOR AN
EXCEPTION TO RULE 303 TO PERMIT COM-
MINGLING OF MONUMENT-McKEE CONDENSATE
WITH MONUMENT OIL PRODUCTION ON THE
AMERADA STATE B-869 LEASE IN SECTION
36-19S-36E, LEA COUNTY, NEW MEXICO

CASE NO. 1917

APPLICATION

NOW COMES Amerada Petroleum Corporation and states the following:

1. Applicant is owner of State B-869 Lease, covering the SW $\frac{1}{4}$ of Section 36-19S-36E, Lea County, New Mexico, and is operator of five wells on said lease;
2. Wells Nos. 1 through 4, completed in the Monument zone, produce oil run into common tankage and measured by gauging; Well No. 5, a single completion well, completed in the Monument-McKee zone, produces condensate which is also measured by gauging;
3. Applicant proposes to separately meter the condensate produced from Well No. 5, located in the SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 36, to commingle it with the Monument oil, and to gauge the commingled product in common tankage.
4. Applicant is prepared to show that the granting of this Application will permit the operator to produce hydrocarbons from each of the two zones here identified without waste, and further, that the granting of this Application will prevent waste.

WHEREFORE, Applicant requests this matter be set for hearing, that notice thereof be given as required by law and that upon due hearing order be entered granting the applicant the authority to commingle the hydrocarbons produced from the lease described and in the manner herein provided with such other rules as the Commission deems necessary.

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AMERADA PETROLEUM CORPORATION

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*Prorated
oil
non-prod. condensate*

*Dockets
mailed
3-7-60
JB*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF AMERADA PETROLEUM CORPORATION
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE POOLS
IN LEA COUNTY, NEW MEXICO, SEPARATELY
METERING THE PRODUCTION FROM ONLY
ONE POOL PRIOR TO COMMINGLING.

APPLICATION FOR REHEARING

Comes now Amerada Petroleum Corporation and applies to the Oil Conservation Commission of New Mexico for a rehearing in Case No. 1917, Order No. R-1656, as provided by law, insofar and only insofar as said Order No. R-1656 denies the applicant's request that the production from only one pool be metered and that this metered production be subtracted from the total commingled production in determining the production from the pool that is not metered, and in support thereof would show the commission:

1. That the above captioned case was heard by the Oil Conservation Commission on March 16, 1960, and that under date of April 25, 1960, the Commission entered its Order No. R-1656 denying the relief sought by applicant in Case No. 1917.

2. That said Order is unlawful in that

(a) There is no evidence in the record to support the findings upon which said Order is based;

(b) There is no finding that waste or correlative rights will be affected by the operations proposed by applicant,

(c) The effect of said Order is to cause the expenditure of money by the applicant without just cause thereby

depriving applicant of its property without due process of law.

(d) Said Order is based upon opinion which is without support in the evidence before the Commission.

3. Said Order is further unlawful and invalid for the reason that the Commission was without lawful authority to deny said application on the basis of the record before the Commission.

WHEREFORE, applicant prays that this matter be set for rehearing before the Commission and that after notice and rehearing, as provided by law, the Commission enter its order approving the application herein as prayed for.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

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ATTORNEYS FOR APPLICANT