

Order will be 1573-B

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

MOTION OF FRANKLIN, ASTON AND FAIR,)
INC., TO AMEND, BY ADDITION THERETO,))
ORDER NO. R-1573-A, WHICH APPROVES)
AN AUTOMATIC CUSTODY TRANSFER)
SYSTEM IN THE EMPIRE-ABO POOL, EDDY)
COUNTY, NEW MEXICO)

2001

CASE NO. 1928

MOTION TO AMEND

Comes now Franklin, Aston and Fair, Inc., hereinafter called Movant, and files this its motion to amend, by addition thereto, Order No. R-1573-A, issued after hearing of the above referenced Case No. 1928. Such order is hereby incorporated by reference and becomes a part hereof as though fully set out herein.

I.

The above referenced caused was heard by Elvis A. Utz, Examiner, on March 23, 1960, at Santa Fe, New Mexico. As a result of such hearing Order R-1573-A, referred to above, was issued. Said order, among other things, approved the installation and operation of an automatic custody transfer unit on leases fully and completely described in said order.

II.

Said Order contains, among others, the following two provisions:

"PROVIDED FURTHER that the applicant shall install high level safety shut in switches in the storage tanks which will shut in the wells at the header, thus preventing the overflow of oil in the event of malfunction of the equipment."

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"PROVIDED FURTHER That the automatic custody transfer system shall be so equipped as to shut in the flowing wells at the wellhead in the event of a flow line break."

III.

Movant respectfully requests that the referenced order be amended by the addition of a further provision immediately following the provisions quoted above. The additional provision requested is as follows:

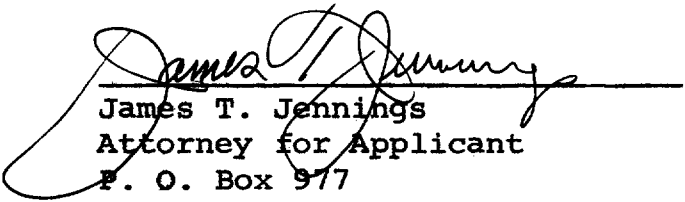
PROVIDED FURTHER, HOWEVER, that in lieu of the installation of high level safety shut in switches in the storage tanks and in lieu of equipment to shut in flowing wells at the wellhead, applicant has the alternative of maintaining storage sufficient to accommodate one day's allowable production from all leases connected to such automatic custody transfer equipment, and further that such installation be visually inspected and attended at least once every 24 hours.

IV.

In support of the addition being requested this Movant respectfully refers to Pages 13 and 14 of the transcript of Case No. 1928. Testimony on these pages reflect that storage tanks with a capacity of 1000 barrels of crude will be maintained at the automatic custody transfer site. Testimony further shows that a maximum of 9 wells will produce into such automatic custody transfer unit. Assuming a normal unit allowable of 40 for Southeast New Mexico (current normal unit allowable is only 33) one day's allowable for said 9 wells would equal only 639 barrels of oil. It is obvious that storage facilities in existence at this installation are more than adequate to handle one

day's total allowable. Testimony at said hearing also showed that such installation would be visually inspected at least once every 24 hours.

Wherefore Movant respectfully requests that its motion to amend Order No. R-1573-A be approved.



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