

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. 2027
Order No. R-1643-A

APPLICATION OF HONDO OIL & GAS COMPANY
FOR AN AMENDMENT OF ORDER NO. R-1643 TO
AUTHORIZE AN ALTERNATIVE TO THE FAIL-
SAFE FEATURES REQUIRED IN THE AUTOMATIC
CUSTODY TRANSFER SYSTEM AUTHORIZED
THEREIN, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 27, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 4th day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 by Order No. R-1643, the applicant was authorized to install an automatic custody transfer system on its Hondo-Western-Yates State 647 lease in the Empire-Abo Pool, Eddy County, New Mexico, subject to the requirement that such system would be so equipped as to shut-in the flowing wells at the wellhead in the event of flow-line break.

(3) That the applicant proposes, as an alternative to said fail-safe requirement, to utilize high pressure tubing tested to at least 1500 pounds per square inch as flow-lines.

(4) That such utilization of high pressure tubing as flow-lines is in accord with sound engineering practice and will prevent waste, provided that it is tested to at least 1500 pounds per square inch under field conditions after installation and prior to use.

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IT IS THEREFORE ORDERED:

That Order No. R-1643 be and the same is hereby amended to authorize, as an alternative to the fail-safe requirements of said order, the utilization of high pressure tubing as flow-lines.

PROVIDED HOWEVER, That such flow-lines shall have been tested to at least 1500 pounds per square inch under field conditions after installation and prior to use.

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

