

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. 2104
Order No. R-1803

APPLICATION OF SHELL OIL COMPANY
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE
POOLS IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 19, 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 24th day of October, 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 the applicant, Shell Oil Company, is the owner and operator of the E/2 NW/4 of Section 4, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the oil produced from the Drinkard Pool with the liquid hydrocarbons produced from the Tubb Gas Pool from all wells located on the above-described acreage, after separately metering the production from the Tubb Gas Pool only.
- (4) That all oil wells from which the production is proposed to be commingled are marginal wells.
- (5) That the ownership of the above-described acreage is common at all depths.
- (6) That approval of the subject application will neither cause waste nor impair correlative rights.

-2-

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IT IS THEREFORE ORDERED:

That the applicant, Shell Oil Company, be and the same is hereby authorized to commingle the oil produced from the Drinkard Pool with the liquid hydrocarbons produced from the Tubb Gas Pool from all wells located on the E/2 NW/4 of Section 4, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, after separately metering the production from the Tubb Pool.

PROVIDED HOWEVER, That the applicant shall notify the Commission's Santa Fe Office in the event either, or both, of the Drinkard wells located on said acreage become top allowable wells, at which time this case may be reopened.

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

IT IS FURTHER ORDERED:

That the meter used to determine the liquid hydrocarbon production from the Tubb Gas Pool shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

That the meter shall be checked for accuracy at least once each month until further direction by the Secretary-Director.

That the meter shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



esr/

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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