

BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

MAIN OFFICE CCC

1960 DEC 5 AM 8:30

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEPTION
TO RULE 309(a) IN ORDER TO COMMINGLE
PRODUCTION AND INSTALL AN AUTOMATIC
CUSTODY TRANSFER SYSTEM FOR ALL WELLS
PRODUCING FROM THE MONUMENT POOL WITHIN
THE BOUNDARIES OF THE SANDERSON A-11 AND
SANDERSON A-14 LEASES CONSISTING OF THE
SE/4 AND S/2 SW/4 OF SECTION 11 AND THE
NE/4, E/2 NW/4, N/2 SE/4, AND SE/4 SE/4
OF SECTION 14 AND THE SANDERSON AB-14
LEASE CONSISTING OF THE NW/4 NW/4 OF
SECTION 14, T-20S, R-36E, NMPM, LEA COUNTY,
NEW MEXICO.

Case 2153

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests an exception to statewide Rule No. 309(a) for permission to commingle production and install an automatic custody transfer system for all wells producing from the Monument Pool within the boundaries of the Sanderson A-11 and Sanderson A-14 leases consisting of the SE/4 and S/2 SW/4 of Section 11 and the NE/4, E/2 NW/4, N/2 SE/4, and SE/4 SE/4 of Section 14 and the Sanderson AB-14 lease consisting of the NW/4 NW/4 of Section 14, T-20S, R-36E, NMPM, Lea County, New Mexico, and in support thereof would show:

1. That the applicant is co-owner and operator of the Sanderson A-11 and Sanderson A-14 leases consisting of the SE/4 and S/2 SW/4 of Section 11 and the NE/4, E/2 NW/4, N/2 SE/4, and SE/4 SE/4 of Section 14 and the Sanderson AB-14 lease consisting of the NW/4 NW/4 of Section 14, T-20S, R-36E, NMPM, Lea County, New Mexico.

2. That the Sanderson A-11 and Sanderson A-14 leases are part of the same basic lease.

3. That applicant proposes to consolidate the existing tank batteries, commingle production from the Sanderson AB-14 lease with production from the Sanderson A-11 and Sanderson A-14 leases after separate measurement, and install an automatic custody transfer system.

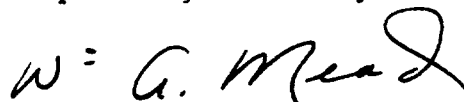
4. That the royalty interests are common, that being the United States Government.

5. That the proposed installation in exception to Rule 309(a) is in the interest of conservation and prevention of waste.

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Wherefore applicant prays that this matter be set for hearing before the Commission's duly qualified examiner and that upon hearing an order be entered granting applicant permission to install an automatic custody transfer system on the above described property.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Wm. A. Mead". The signature is fluid and cursive, with a large, sweeping "M" and a long, horizontal tail stroke.

Wm. A. Mead
Division Superintendent
of Production
New Mexico Division