

7002256

Hondo Oil & Gas Company

Box 660

Roswell, New Mexico

March 17, 1961

Oil Conservation Commission
State of New Mexico
Post Office Box 571
Santa Fe, New Mexico

Re: Application for Approval of LACT
System for Production from Culwin
Queen Pool on Hondo Oil & Gas Company
State RD Lease in Section 36, Town-
ship 18 South, Range 30 East, N.M.P.M.,
Eddy County, New Mexico

Gentlemen:

Hondo Oil & Gas Company hereby makes application for permission to operate Lease Automatic Custody Transfer equipment on the subject lease.

In support of this application, Hondo Oil & Gas Company states the following:

1. Hondo Oil & Gas Company is the owner and operator of all producing rights in its State RD Lease which includes the $S\frac{1}{2}$, $W\frac{1}{4}NE\frac{1}{4}$ and $SW\frac{1}{4}NW\frac{1}{4}$ of Section 36, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.
2. There is no diversity of royalty ownership underlying the above described lease.
3. The proposed installation will be adequate to accurately measure oil produced and result in efficient accounting of crude oil transferred to the pipe line gathering system.
4. The pipe line company which purchases the crude oil from subject lease has indicated its approval of the design and equipment for the proposed LACT system.

5. The granting of applicant's request in this case is in the interest of conservation, and will protect correlative rights.
6. In view of proposed Fail Safe features and automatic well control and shut off provisions, the installation of this LACT system will not create any danger of waste.

It is respectfully requested that this matter be set for hearing at any early date.

Respectfully submitted,

HONDO OIL & GAS COMPANY

By 

S. H. Cavin, Resident Attorney

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



P. O. BOX 871
SANTA FE

April 28, 1961

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. S. H. Cavin,
Hondo Oil & Gas Company
Box 660
Roswell, New Mexico

Re: Case No. 2256
Order No. R-1952
Applicant:
Hondo Oil & Gas Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC

OTHER