

APACHE CORPORATION
OIL AND GAS DIVISION

2000 WILCO BUILDING MIDLAND, TEXAS 79704 M MU 3

January 19, 1965

New Mexico Oil Conservation Commission P. O. Box 2045 Hobbs, New Mexico

Re: Permanent Approval for Off-Lease Storage on the High Plains Unit Well #1, Section 22, 14S, 34E, Lea County, New Mexico.

Gentlemen:

We request a permanent off-lease storage permit for our subject well to store crude production in a tank battery located in Section 15, T-14-S, R-34-E. We have included a surveyors plat of our tank battery location, well location and lease holdings within the operators 1840 acre unit. Also enclosed is a copy of a letter from the Commission of Public Lands of the State of New Mexico, approving off-lease storage pending final approval from you.

We have requested a ninety day temporary permit for the subject tank battery pending approval of a permanent permit. It is our desire to centralize a tank battery within the center of the operating unit for a pipe line connection to service all wells within the state land leases. All acreage within our unit has common state land royalty and is effected only by various unit operators expiring lease dates. Additional development within this unit will require special permits on an individual well basis. At the completion of the second well a commingle permit will be requested for the first and second well. We will attempt to receive permission for commingling with the use of metering separators. Actually this permit will serve only one well within the subject unit. For additional development, we will submit a revised application for the #1 well in the unit as well as the #2, #3, and etc, wells as they are drilled, completed, and potentialed.

We certainly appreciate your consideration in granting us this permanent off-lease storage permit.

Very truly yours,

Larry Shannon Area Engineer LCS:dm Enclosures

cc: Commissioner of Public Lands, State of New Mexico.