

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

November 19, 1965

**Sinclair Oil & Gas Company
P. O. Box 1920
Hobbs, New Mexico**

Attention: Mr. P. M. Singleton

Administrative Order OLS-44

Gentlemen:

Reference is made to your application dated September 24, 1965, for an exception to Rule 309-A to permit off-lease storage for your State "L" DE Lease, Vacuum Glorieta Pool, Lea County, New Mexico. It is our understanding that the production from this lease which comprises the W/2 NE/4 of Section 30, Township 17 South, Range 35 East, will be handled in a multi-lease LACT battery located on your State B-1578 Lease which comprises the E/2 NW/4 of said Section 30.

Sinclair Oil & Gas Company is hereby authorized off-lease storage as described above, provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to either lease.

Very truly yours,

**A. L. PORTER, Jr.
Secretary-Director**

ALP:DCN:sg

**cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs**

SANTA FE, NEW MEXICO

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SINCLAIR OIL & GAS COMPANY

P.O. Box 1920
Hobbs, New Mexico

MAIN OFFICE

'65 SEP 27 AM 8 10

September 24, 1965

Mr. A.L. Porter, Jr.
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

OLS. 44

Dear Sir:

Sinclair Oil & Gas Company requests an exception to Rule 309-A to permit off-lease storage on our State "L" DE lease, Vacuum Glorieta production.

It is proposed to locate the battery for this lease on our State B-1578 lease (adjoining) in order that production can be handled through a Multi-Lease LACT Unit. State B-1578 lease is the E/2 of NW/4 of Sec. 30, T17S, R35E, Lea County, New Mexico. This production will not be commingled, but it will be handled by use of separate metering through Multi-Lease LACT for sale to the pipeline company.

The attached plat shows location of the two leases as well as proposed location of the off-lease storage. Upon approval of the off-lease storage for the State "L" DE lease, an application will be submitted to use multi-lease LACT equipment as described above.

The Commissioner of Public Lands has been requested to also grant an exception, and this approval, contingent upon his decision, will be forwarded you as soon as it is received.

In the event further information is required to complete this application, please advise.

Yours truly,

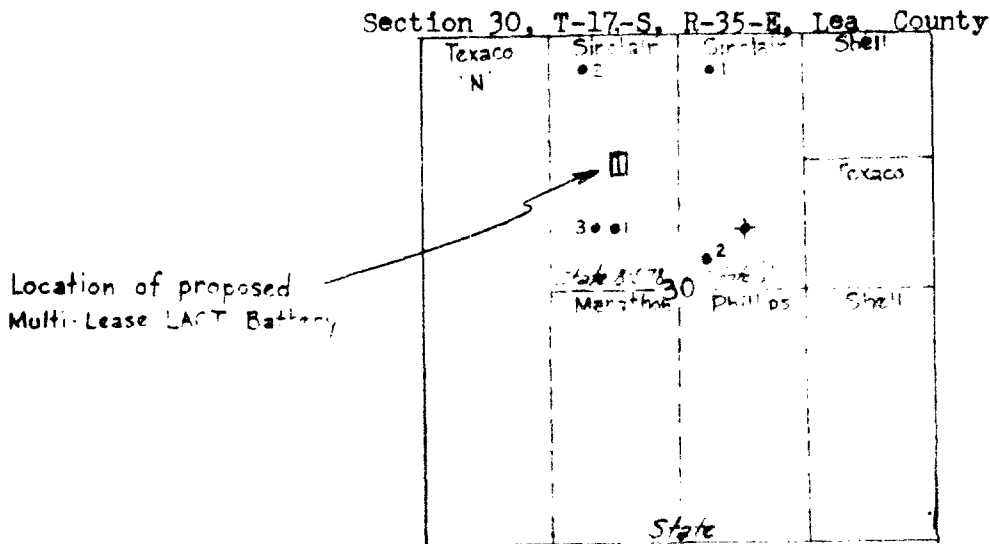
F.M. Singleton
F.M. Singleton
Senior Engineer

DF/dnw

Attachments

LOCATION PLAT

Showing: Sinclair Oil & Gas Company's, State "L" DE Lease which is W/2 of NE/4 of Sec. 30, T-17-S, R-35-E, Lea County, and Sinclair Oil & Gas Company's, State B-1578 ARC Lease which is the E/2 of NW/4 of Sec. 30, T-17-S, R-35-E, Lea County, New Mexico



- NOTE: 1. Sinclair's State "L" DE No. 1 produces from Vacuum (Grayburg-San Andres) and its production is not to be included in this battery.
2. Sinclair's State "L" DE No. 2 will produce from Vacuum Glorieta and it is proposed to produce this into one side of Multi-Lease LACT at location shown above.
3. Sinclair's State B-1578 ARC No. 1 produces from Vacuum (Grayburg-San Andres) and its production is not to be included in this battery.
4. Sinclair's State B-1578 No. 2 produces from Vacuum (Grayburg-San Andres) and its production is not to be included in this battery.
5. Sinclair's State B-1578 No. 3 produces from Vacuum Glorieta and Vacuum Wolfcamp, and production from both zones is commingled and it is proposed to produce this into one side of Multi-Lease LACT.