

*Since 24.50*

P. O. Box 720  
Hobbs, New Mexico

November 3, 1961

APPLICATION OF TEXACO INC. FOR  
EXCEPTION TO STATEWIDE RULE 309 (a)  
State of New Mexico "AB" Lease - State  
Ld. #B1031, State of New Mexico "R"  
NCT-1 Lease - State Ld. #B1305, Lea  
County, New Mexico

A. L. Porter, Jr., Secretary and Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Sir:

TEXACO Inc. hereby requests administrative approval for exception to statewide rule 309 (a) permitting the movement of Abo production, before measurement, from Texaco's State "AB" Lease to available measuring, treating and storage facilities located on Texaco's adjacent State "R" NCT-1 Lease in Section 6, Township 18 south, Range 35 east, Lea County, New Mexico. TEXACO Inc.'s Abo production was recently established with the completion of State of New Mexico "AB" Well No. 2 October 25, 1961. Additional Abo development is anticipated on Texaco's State of New Mexico Leases "AB", "R" NCT-1 and adjacent leases.

This request is made since separate measuring, treating and storage facilities are presently available on the "R" lease that can be used solely to handle only Abo production, thus eliminating the cost of installing additional facilities. These existing facilities and the pipeline connection are not connected in any manner to similar adjacent facilities now handling San Andres production from the two subject leases. The San Andres production and the Abo production will not be commingled and could not be commingled since the two facilities are not connected.

Texaco's one Abo well, State of New Mexico "AB" No. 2, is located on the edge of Texaco's lease holdings. Additional development is expected on other nearby leases in the near future at which time a central tank battery and facilities for commingling Abo production from various leases would be desirable. Until then it would be expedient and economical to use already existing facilities.

A. L. Porter, Jr.,  
Secretary and Director

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November 8, 1961

The attached plat shows the location of the two 160 acre leases comprising the east half of Section 6, the location of the available tank battery and well locations.

Since this request involves State of New Mexico land, a letter identical to this one is being sent to Mr. Ted Bilberry of the State Land Office to obtain their approval. We requested that the State Land Office send you a copy of their approval.

Yours very truly,

A handwritten signature in cursive script, appearing to read "W. B. Hubbard".

W. B. Hubbard  
District Superintendent

CLW-MSV  
ERF, Jr.

Attachment

Case 2450

November 14, 1961

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P  
Y  
  
Texaco, Inc.  
P. O. Box 728  
Hobbs, New Mexico

Attention: Mr. W. B. Hubbard.

Dear Mr. Hubbard:

Your request to transport the production from your State "AB" Lease to available measuring, treating and storage facilities located on your State "R" NCT-1 Lease in Section 6, T. 18 S., R. 35 E., Lea County, New Mexico, is hereby granted.

We make no objection to your proposed operation, since both leases cover acreage belonging to the common schools of New Mexico and there would seem to be no changes in the specific gravity of the products from the Abo zone.

Yours very truly,

E. S. JOHNNY WALKER  
Commissioner of Public Lands

By: *Ted Bilberry*  
Ted Bilberry, Supervisor  
Oil and Gas Division

ESW:TB:eq

cc: Mr. A. L. Porter, Jr.  
Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico