

Anadarko
PRODUCTION COMPANY

A
Panhandle
Eastern
Company

P. O. Box 87 • Loco Hills, New Mexico 88255 • (505) 677-2411

August 31, 1981

Mr. Gene Daniel
Deputy Oil & Gas Conservation Manager (Federal)
P. O. Box 26124
Albuquerque, New Mexico 87125

Re: "Off-Lease Storage - Rule 309-C, Item #6"

Dear Sir:

Anadarko Production Company hereby requests your permission to proceed with an application to the NMOCC for "Off-Lease-Storage". See Exhibits #1 & #2 for area involved. This request would involve moving Fee oil onto Federal land.

We propose to relocate the production from the Taylor #1, #2 & #3 wells (S/2 SW/4 Unit Letters M & N, Sec. 30, T16S, R32E, Lea County, New Mexico) to the SE/4 SE/4 Unit Letter P, Sec. 25, T16S, R31E, Eddy County, New Mexico.

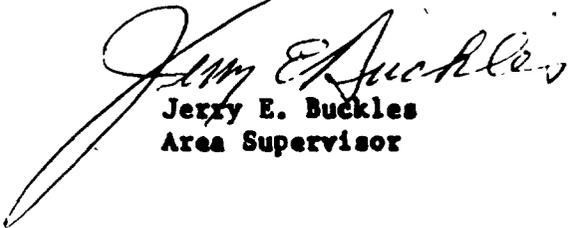
It is our intention to build a new tank battery @ Unit Letter P, Sec. 25 consisting of four oil storage tanks & four gunbarrels. Production on the Baxter Federal "B" lease (NM 041538) and the Carper Federal lease (also NM 041538) will be maintained separately, although Anadarko is currently the sole interest holder. Likewise, production from the Taylor #1 & #2 will be maintained separately from the Taylor #3, although Anadarko is also currently the sole lease holder.

This consolidation is proposed for four reasons:

1. Existing facilities were not designed to handle produced water. The new batteries will incorporate atmospheric gunbarrels set at an elevation which will permit transferral of produced water to the Water Plant for disposal via gravity.
2. The old facilities are junk. New facilities could be built at this central location and put into service with a minimal of down time.
3. Consolidation reduces gauging time.
4. Consolidation would reduce road maintenance since travel would be more centralized.

Your prompt approval of this move will allow Anadarko to proceed with other stipulations set forth in Rule 309-C.

Yours very truly,


Jerry E. Buckles
Area Supervisor

JEB/rk



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

January 12, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Anadarko Production Co.
P. O. Box 67
Loco Hills, New Mexico 88255

Attention: Mr. Jerry Buckles

Re: Amendment
OLS-133 and OLS-134

Gentlemen:

Reference is made to your letter dated January 6, 1982, wherein you point out that the tank batteries for your Brinson State Lease and Western Development "B" Lease are located in Unit N of Section 25, Township 16 South, Range 31 East, Eddy County, rather than in Unit P as stated in Administrative Orders Nos. OLS-133 and OLS-134.

Said Orders are hereby corrected to correctly reflect the location of the batteries for these two leases as being in Unit N of Section 25, Township 16 South, Range 31 East, Eddy County, New Mexico, on your Robinson Federal Lease.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Joe D. Ramey".

JOE D. RAMEY,
Director

JDR/DSN/dr

cc: OLS 133 File
OLS 134 File
Oil Conservation Division - Artesia

Anadarko
PRODUCTION COMPANY

JAN 07 1982
OIL CONSERVATION DIVISION
Santa Fe
Panhandle Eastern Company

P. O. Box 67 • Loco Hills, New Mexico 88255 • (505) 677-2411

January 6, 1982

Mr. Joe D. Ramey
State Petroleum Engineer Secretary-Director
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

There is a discrepancy in the Unit Letter of the relocation of our tank battery covering the Brinson State Lease and the Western Development "B" Lease.

Exhibits #1, #2 and #3 show the relocation to be in Unit Letter N but your letters approving our application dated November 17, 1981 (Exhibits #4 and #5) show the relocated tank battery to be in Unit Letter P. This was called to our attention by Mr. Bill Gressett with NMOCC in Artesia when we filed C-104 forms showing the relocated tank battery.

Exhibits attached are:

- Exhibit #1 - Letter from Anadarko to Alex Armijo requesting permission to file for Off-Lease Storage.
- Exhibit #2 - Plat showing proposed relocation of tank battery to be in Unit Letter N.
- Exhibit #3 - Letter from Alex Armijo to Anadarko granting permission to file for Off-Lease Storage.
- Exhibit #4 - Your letter to Anadarko granting approval of Off-Lease Storage for the Western Development "B" lease in Unit Letter P.
- Exhibit #5 - Your letter to Anadarko granting approval of Off-Lease Storage for the Brinson State lease in Unit Letter P.

Separate Off-Lease Storage facilities for the Western Development "B" lease and the Brinson State lease have actually been constructed in Unit Letter N.

A letter from you resolving this discrepancy will be appreciated.

*all unnecessary -
thrown away*

Yours very truly,

Jerry E. Buckles
Jerry E. Buckles
Area Supervisor

JEB/rk
Copy with Exhibits to Bill Gressett