

Anadarko
PRODUCTION COMPANY

A
Panhandle
Eastern
Company

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

December 7, 1981

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

Dear Sir:

Anadarko Production Company hereby requests administrative approval for "Off-Lease Storage" (Rule 309-C). This request would involve moving Fee oil onto Federal Land. We propose to relocate the production from the Taylor Fee lease and Carper Federal lease to the Baxter "B" Federal lease. Production on the Taylor Fee lease well #1, Taylor Fee lease well #3, Carper Federal lease well #1 and Baxter "B" Federal lease wells #1 & #2 will be maintained separately, thus there will be no commingling or intercommunication of production between handling, separating or storage facilities. All production is of the Graybury-Jackson/Queen-Grayburg-San Andres Pool and is under the sole working interest ownership of Anadarko Production Company.

A "Surface Use Plan" is provided along with the following Exhibits for your information:

Exhibit #1 - Small scale map showing location of leases in relation to Loco Hills Townsite.

Exhibit #2 - Large scale map showing leases involved.

Exhibit #3 - Proposed new tank battery layout.

Exhibit #4 - Proof of ownership.

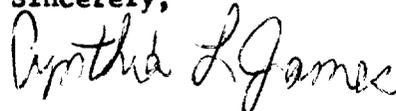
Exhibit #5 - Plat showing location of wells, formation(s) completed in and location of new tank battery.

Exhibit #6 - Letter from Commissioner of Public Lands.

Exhibit #7 - Letter from Deputy Conservation Manager (USGS).

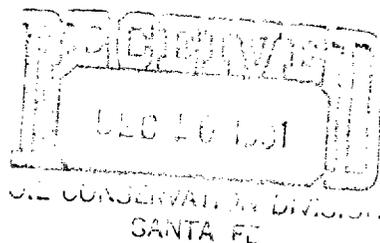
For further information, please contact me at the Midland, Texas office or Jerry Buckles at the Loco Hills, New Mexico office.

Sincerely,



Cindy James
Production Engineer

CJ/rk



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Dear Sir:

Following is the "Surface Use and Operation Plan" for the relocation of production facilities on Anadarko's Taylor Fee lease and Carper Federal lease to the Baxter "B" Federal lease.

1. Existing Roads - A map is attached (Exhibit #1) showing the leases concerned on the relocation of the production facilities of the subject leases in relation to Loco Hills Townsite.

A second map (Exhibit #2) shows existing caliche lease roads in blue.

2. Planned Access Roads - This relocation of production facilities will not require any new roads. There will be no fence to cut or cattleguard to set.

3. Location of Existing Wells - All existing wells on these leases are indicated on enclosed maps (Exhibits #1 & #2). There are no exploratory wells being drilled within a two mile radius.

4. Location of Tank Batteries, Production Facilities & Lines - Exhibit #2 shows the present location of the subject rproduction facilities in Yellow. Proposed relocation of these production facilities are shown in Red. Proposed flowlines in dashed green will be 2" black SDR-11 Dupont 837 PE pipe unrolled on top of the ground and run through 5" conductor pipe beneath lease roads intersected.

5. Location and Type of Water Supply - Not applicable.

6. Source of Construction Material - Not applicable. An existing caliche pad will be utilized for this relocation project.

No Archaeological Study will be required since an existing caliche pad will be used.

7. Methods for Handling Waste Materials - No drilling pits, reserve pits or rubbish pits are required. A small drainage pit with wire mesh over it will be on the site.

8. Ancillary Facilities - There are no camps or air strips planned.

9. Tank Battery Layout - The existing caliche pad measures approximately 100' NW to SE and is approximately 50' wide.

Cross Section - Before and After shown below.

6" Caliche Pad

Note: There was no change in this since we will be using an existing caliche pad.

See Exhibit #3 for proposed Tank Battery Layout.

10. Plans for Restoration of Surface - None - this caliche pad had already been leveled and caliched by prior operator, therefore Anadarko has no plans other than removing the production equipment.

11. Other Information - Topography is generally small sand dunes adjacent to existing level caliche pad which is on the side of the Caprock.

Soil Characteristics - Level caliche pad.

Flora - No growth on caliche pad.

Fuana - Snakes, rabbits, ants, grasshoppers, mice, rats & birds.

Other Surface Use Activities - None.

Surface Ownership - Federal Land.

Water Wells - None.

Lakes, Streams and Ponds - None.

Dwellings - None.

Other Facilities - None.

Archaeological Sites - None.

Historical Sites - None.

Cultural Sites - None.

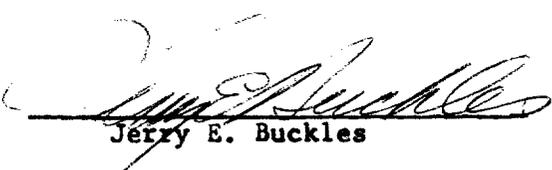
12. Operator's Representative:

Truman Jones - Office - Loco Hills - 505-677-2411

Cindy James - Office - Loco Hills - 505-677-2411
Office - Midland, Texas - 915-682-1666

13. Certification - I hereby certify that I, or persons under my direct supervision, have inspected this existing caliche pad which will be used as the proposed production facility relocation site; that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Stevenson Roach Tank Company, Inc. in conformity with this plan and the terms and conditions under which it is approved.

December 7, 1981
Date


Jerry E. Buckles

Area Supervisor
Title

