

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

July 11, 1972

Mr. A. H. Rains
P. O. Box 297
Carlsbad, New Mexico 88220

Administrative Order OLS-88

Dear Sir:

Reference is made to your application for an exception to Rule 309-A of the Commission Rules and Regulations to permit off-lease storage for your Vickers Well No. 1, located in the NE/4 NE/4 of Section 23, Township 20 South, Range 28 East, Eddy County, New Mexico.

Pursuant to the authority granted me by Rule 309-C, you are hereby authorized off-lease storage for the above-described production, to be handled in a tank battery located in the SE/4 SE/4 of Section 23, Township 20 South, Range 29 East, NMPM, provided that there shall be no inter-communication between the handling, separating, treating, and storage facilities designated to the Vickers lease and those of any other lease.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Roswell

C
O
P
Y

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. DRAWER DD - ARTESIA
88210

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

May 4, 1972

RECEIVED

JUN 5 1972

O. C. C.
ARTESIA, OFFICE

Mr. A. H. Rains
Box 297
Carlsbad, New Mexico 88220

Re: Off-Lease Storage

Dear Mr. Rains:

Please refer to Rule 309-C (copy enclosed) Administrative Approval, Off-Lease Storage and make your application accordingly. Be sure to show the location of the well and the location of your sales tank by $\frac{1}{4}$ $\frac{1}{4}$ Section, Township and Range.

Very truly yours,



W. A. Gressett

WAG/bw

Enclosure

RULE 309-C. ADMINISTRATIVE APPROVAL, OFF-LEASE STORAGE

For good cause shown, the Secretary-Director of the Commission shall have authority to grant an exception to Rule 309-A to permit the production from one lease to be transported prior to measurement to another lease for storage thereon, provided an application reflecting ownership of the leases has been filed in triplicate with the Commission and is accompanied by plats of the leases showing thereon the wells on the leases and the formations in which they are completed and the proposed location of the tank battery, and provided further that:

1. All production is from the same common source of supply.
2. Commingling of production from the two leases will not result.
3. There will be no intercommunication of the handling, separating, treating, or storage facilities designated to each lease.
4. All parties owning an interest in the leases have consented in writing to the off-lease storage.
5. In lieu of paragraph 4 of this rule, the applicant may furnish proof of the fact that said parties were notified by registered or certified mail of his intent to transport prior to measurement the production from one lease to another lease for storage. The Secretary-Director may approve the application if, after a period of 20 days following receipt of the application, no party has made objection to the application.
6. Where State or Federal lands are involved, the applicant shall furnish evidence that the Commissioner of Public Lands for the State of New Mexico or the Regional Supervisor of the United States Geological Survey has consented to the proposed off-lease storage.

I would like permission to set an off-lease storage tank at: SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 23, Township 20 South, Range 29 East N M P M. I will transport oil from Vickert #1 well NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 23, Township 20 South, Range 28 East N M P M.

C. H. Rain

RECEIVED

JUN 5 1972

O. C. C.
ARTESIA, OFFICE

RECEIVED

JUN 5 1972

O. C. C.
ARTESIA OFFICE

New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

CONSENT FOR OFF LEASE STORAGE

Gentlemen:

Consent is hereby given for off lease storage for oil produced from the Vicker's Lease, Well No. 1, located and described as follows:

N.E. 1/4, N.E. 1/4, Section 23, Township 20 South,
Range 28 East, N.M.P.M. Lease No. LC 067684.

Location of off lease storage is described as follows:

Section 23, Township 20 South, Range 29 East,

from which location the oil will be purchased by the Navajo Pipeline Company, Artesia, New Mexico 88210.

Dated at El Paso, Texas, this 21 day of May, 1972.


JOSEPH L. BUNIGAN, Owner