

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

May 18, 1973

Mr. C. E. LaRue and B. N. Muncy, Jr.
P. O. Box 196
Artesia, New Mexico 88210

Attention: Mr. B. N. Muncy, Jr.

Administrative Order OLS-89

Gentlemen:

Reference is made to your application for an exception to Rule 309-C of the Commission Rules and Regulations to permit off-lease storage for the producing wells on your Dekalb lease NM04393, located in the SE/4 of Section 31, Township 16 South, Range 30 East, NMPM, Square Lake Pool, 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 separate tank battery located near your water storage and injection station in the SW/4 of Section 31, Township 16 South, Range 30 East, NMPM, provided that there shall be no intercommunication between the handling, separating, treating, and storage facilities designated to the Dekalb lease and those of any other lease.

Yours very truly,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/dr

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



Artesia, N. M.
December 2, 1972

OLS - 89

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

due Dec 26, 72

Gentlemen:

We would like to request an exception to Rule 309-C for your approval of off-lease storage for our Dekalb lease NM 04393, SE $\frac{1}{4}$ Section 31, T16S, R30E in the Square Lake pool Eddy County, N. M., comprising four wells in the Grayburg formation, two of which are shut-in injection, and two are production.

CTB-235

We would set a separate tank battery and treating system so these wells would be ~~completely separate from the battery and gathering system now in use for our co-mingled Etz and Federal E leases.~~ The tank battery would be adjacent to our present produced water storage and injection pump so that produced water could be put into our present injection system, which is also on Federal lease. The off-lease storage and injection of produced water has been verbally approved by USGS with a request for written approval already in their hands.

The Dekalb lease has 75% WI and 7 $\frac{1}{2}$ % ORRI equally divided between C. E. LaRue and B. N. Muncy, Jr., and carries an additional 5% ORRI divided among the following persons in stated interests, with all persons being notified at their last known address by certified mail:

- | | |
|---|--------|
| I. J. Marshall | .00250 |
| Everett E. Taylor | .00500 |
| J. B. Bockman and Grace B. Bockman, as joint tenants | .00750 |
| H. B. Wright | .00500 |
| Daniel Vaughan | .00125 |
| Mavis Graham Peterson | .00125 |
| Roger H. Davis | .00125 |
| Gilbert E. Peterson | .00125 |
| Marshall & Winston, Inc. | .00250 |
| Heirs and devisees of M. W. Evans and Hattie C. Evans, deceased | .01000 |
| Elks National Foundation, Trustee of the Benevolent and Protective Order of Elks of the United States of America | .00125 |
| Shattuck School | .00125 |
| Boys Clubs of America | .00125 |
| New Mexico Boys Ranch, Inc. | .00125 |
| Regents of the University of New Mexico | .00125 |
| The First National Bank of Roswell, Trustee of the M. B. Leonard Trust and the Heirs and Devisees of Mabel F. Leonard, deceased | .00625 |

Very truly yours,

C. E. LaRue and B. N. Muncy, Jr.
P. O. Box 196
Artesia, New Mexico 88210

BNM/ys