

**OIL CONSERVATION COMMISSION**

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 17, 1974

Continental Oil Company  
P. O. Box 460  
Hobbs, New Mexico 88240

Attention: Mr. L. P. Thompson

Administrative Order OLS-93

Gentlemen:

Reference is made to your application dated April 11, 1974, for administrative approval for an exception to the provisions of Rule 309-A to permit off-lease storage of North Mason-Delaware production from your Russell Federal 30 Lease in Section 30, Township 26 South, Range 32 East, Lea County, New Mexico. It is our understanding that this production would be handled in a separate tank battery located on your Thompson Federal 19 Lease in the NW/4 of Section 19, same township.

Pursuant to the authority granted me by Rule 309-C of the Commission Rules and Regulations, Continental Oil Company is hereby authorized off-lease storage as described above, provided that there shall be no intercommunication of the handling, separating, treating or storage facilities designated to each lease.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/DSN/dr

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

C

O

P

Y

OIL CONSERVATION COMMISSION

P. O. Box 2388

SANTA FE, NEW MEXICO 87501

May 17, 1974

Continental Oil Company  
P. O. Box 460  
Hobbs, New Mexico 88240

Attention: Mr. L. P. Thompson

Administrative Order OLS-93

Dear Sir:

Reference is made to your application dated April 11, 1974, for administrative approval for an exception to the provisions of Rule 309-A to permit off-lease storage of North Mason-Delaware production from your Russell Federal 30 lease in Section 30, Township 20 South, Range 32 East, Garfield County, New Mexico. It is our understanding that this production would be handled in a separate tank battery located on your Thompson Federal 19 lease in the NW 1/4 of Section 19, same township.

Pursuant to the authority granted me by Rule 309-C of the Commission Rules and Regulations, Continental Oil Company is hereby authorized off-lease storage as described above, provided that there shall be no intercommunication of the handling, separating, treating or storage facilities designated to each lease.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

APP/25M/51

Oil & Gas Engineering Committee - Hobbs  
U. S. Geological Survey - Hobbs  
Oil Conservation Commission - Hobbs



L. P. Thompson  
Division Manager  
Production Department  
Hobbs Division  
Western Hemisphere Petroleum Division

Continental Oil Company  
P.O. Box 460  
1001 North Turner  
Hobbs, New Mexico 88240  
(505) 393-4141

April 11, 1974

New Mexico Oil Conservation Commission (3)<sup>v</sup>  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention Mr. A. L. Porter, Jr. - Secretary-Director

Gentlemen:

Off-Lease Storage - Russell Federal 30 Lease, North Mason Pool, Lea County  
New Mexico

---

Continental Oil Company has completed its Russell Federal 30 Well No. 2 in Unit D of Section 30, T-26S, R-32E in the North Mason Delaware Pool. We are currently drilling Well No. 3 in Unit E and expect to move immediately to No. 4 which will be located in Unit C of the same section.

We are in the process of designing a centralized tank battery and soon will submit an application for commingling of North Mason and Battleaxe Delaware production in that facility. As a temporary measure Continental Oil Company respectfully requests administrative approval to place tanks for North Mason Delaware oil production on the Thompson 19 Federal Lease, which is the site of the proposed centralized battery, for receiving Russell Federal 30 lease production. There will be no commingling of production from this lease with that from other leases until after approval of a commingling order. Continental Oil Company owns all of the working interest under this lease. Copies of this application are being furnished to the U.S.G.S. and the owners of the overriding royalty under the lease. A letter indicating the consent of the U.S.G.S. will be forwarded as soon as it is received.

It is respectfully requested that administrative approval of off-lease storage, under the provision of Rule 309 C be granted.

Yours very truly,

VTL:reh

CC:

USGS(2)

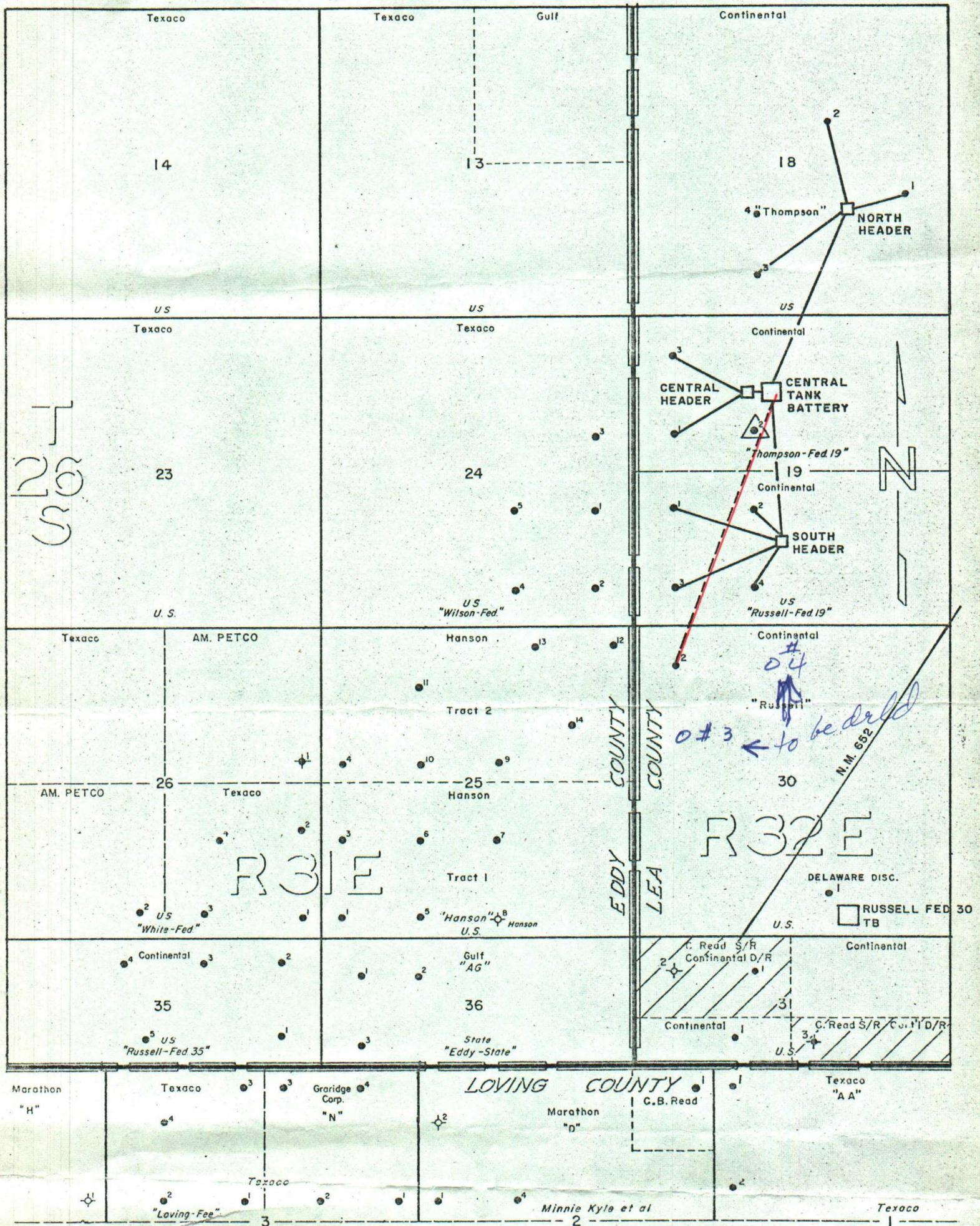
NMOCC - Hobbs

RLA: FOH: JWK:

Overriding royalty owners (Certified Mail)

Emma T. Russell  
712 North Main Street  
Roswell, New Mexico 88201

D. L. McBride, Executor  
Estate of Ernest A. Hanson  
P. O. Box 1515  
Roswell, New Mexico 88201



ALL FLOWLINES LAID ON SURFACE, EXCEPT AT ROAD CROSSINGS.

<b>CONTINENTAL OIL COMPANY</b>	
PRODUCTION DEPARTMENT—HOBBS DISTRICT	
<b>NORTH MASON DELAWARE POOL</b>	
EDDY & LEA COUNTIES, NEW MEXICO	
<b>PROPOSED NORTH MASON DELAWARE CONSOLIDATED TANK BATTERY</b>	
LAH 9-73	FIGURE 2
<p>SCALE</p>	
67W	

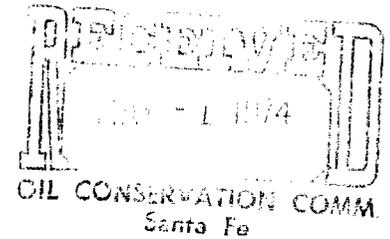


L. P. Thompson  
Division Manager  
Production Department  
Hobbs Division  
Western Hemisphere Petroleum Division

Continental Oil Company  
P.O. Box 460  
1001 North Turner  
Hobbs, New Mexico 88240  
(505) 393-4141

April 30, 1974

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



Attention Mr. A. L. Porter, Jr.  
Secretary-Director

Gentlemen:

Off-Lease Storage - Russell Federal 30 Lease North Mason Pool, Lea  
County, New Mexico

Supplementing my application on this same subject dated April 11,  
1974, the letter from the United States Geological Survey approving  
the subject off-lease storage is attached in order to complete  
your file.

Yours very truly,

VTL:reh  
Enc  
CC:  
RLA: FOH: JWK



RECEIVED HOBBS DIVISION	
APR 22 74	
	Note Noted Handled
Div. Manager	<input checked="" type="checkbox"/>
Prod. Supt.	<input checked="" type="checkbox"/>
Div. Engr.	<input checked="" type="checkbox"/>
Div. Off. Mgr.	<input type="checkbox"/>
Cons'v. Coord.	<input checked="" type="checkbox"/>
M. S. Supv.	<input checked="" type="checkbox"/>
BEG 4/24	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 1157  
Hobbs, New Mexico 88240

cc: MKC  
MAY - 1 1974  
OIL CONSERVATION COMM  
Santa Fe

April 19, 1974

~~Continental Oil Company~~  
P. O. Box 460  
Hobbs, New Mexico

Gentlemen:

Your letter of April 11 requests approval for off-lease storage for oil produced on your Russell Federal 30 lease in sec. 30, T. 26 S., R. 32 E., Lea County, New Mexico, lease Las Cruces 068281-B. The oil will be stored in a separate tank battery located in the NW $\frac{1}{4}$  sec. 19 on Federal lease Las Cruces 062749-B.

~~The method of off-lease storage described in the attachments to your letter is hereby approved. The tank battery should be properly marked.~~

~~Please advise this office when the installation is completed so that a field inspection can be made.~~

Sincerely yours,

Arthur R. Brown  
District Engineer

*Note*