

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 5, 1976

Yates Petroleum Corp.
207 South 4th Street
Artesia, New Mexico 88210

Attention: Mr. Eddie M. Mahfood

Administrative Order OLS-98

Gentlemen:

Reference is made to your letter dated December 30, 1975, wherein you request authority for off-lease storage for Atoka-San Andres production from your EX Lease, which comprises the SW/4 SE/4 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. It is our understanding that the tank battery for this lease would be located on your Gushwa DX Lease in the NE/4 SW/4 of said Section 21.

Pursuant to authority granted me by Rule 309-C of the Commission Rules and Regulations, Yates Petroleum Corporation 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,

JOE D. RAMEY
Secretary-Director

JDR/DSN/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 5, 1976

Yates Petroleum Corp.
107 South 4th Street
Arlavia, New Mexico 88210

Attention: Mr. Eddie M. Harford

Administrative Order OCS-98

Definition:

Reference is made to your letter dated December 30, 1975, wherein you request authority for off-lease storage for Alaska-San Andres production from your EX Lease, which comprises the SW/4 SE/4 of Section 21, Township 18 North, Range 16 East, NMP, Eddy County, New Mexico. It is our understanding that the tank battery for this lease would be located on your Goshute DX lease in the NE/4 SW/4 of said Section 21.

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

Very truly yours,

JOHN D. KANEY
Secretary-Director

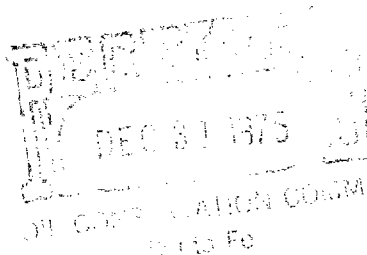
cc

Oil & Gas Engineering Committee - Hobbs
Oil Conservation Commission - Arlavia



YATES BUILDING - 207 SOUTH 4TH ST.
ARTESIA, NEW MEXICO - 88210

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.



December 30, 1975

OLS-98

Mr. Joe D. Ramey, Secry-Director
N.M.O.C.C.
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Off-Lease Storage, Dayton
Townsite, Atoka (San Andres)
Field

Dear Mr. Ramey:

We are now drilling San Andres wells in the Dayton Townsite and seek Administrative Approval under the provisions of OCC Rule 309C to set up individual tank batteries in a centrally located area for the several leases.

We propose that separation and storage facilities for Dayton development leases, Gushwa DX, Dayton EX and others (West side of Railroad) be located alongside existing road in Unit K and which will be more than $\frac{1}{4}$ mile from existing occupied dwellings.

The following requisites for off-lease storage are met:

1. All production is from the same common source;
2. Commingling of production will not result;
3. There will be no intercommunication of the handling, separating, treating, or storage facilities designated to each lease;
4. The working interest owners are the same and Yates Petroleum as Operator waives objections;
5. An ownership plat of the area is attached.

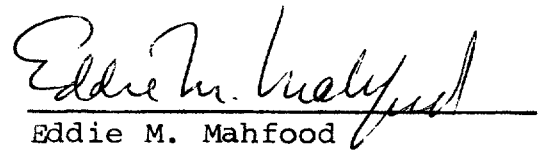
December 30, 1975

RE: Off-Lease Storage
Dayton Townsite
Atoka (SA) Field

This exception to OCC Rule 309A is asked for because of the proximity of residences which would otherwise be exposed to the pungent sour crude odors; also the propose site for the storage facilities would lessen the environmental impact with respect to public safety, fire hazard, noise and air pollution.

Yours truly,

YATES PETROLEUM CORPORATION


Eddie M. Mahfood
Engineer

EMM/pt
Enclosure

ER 1 I 21

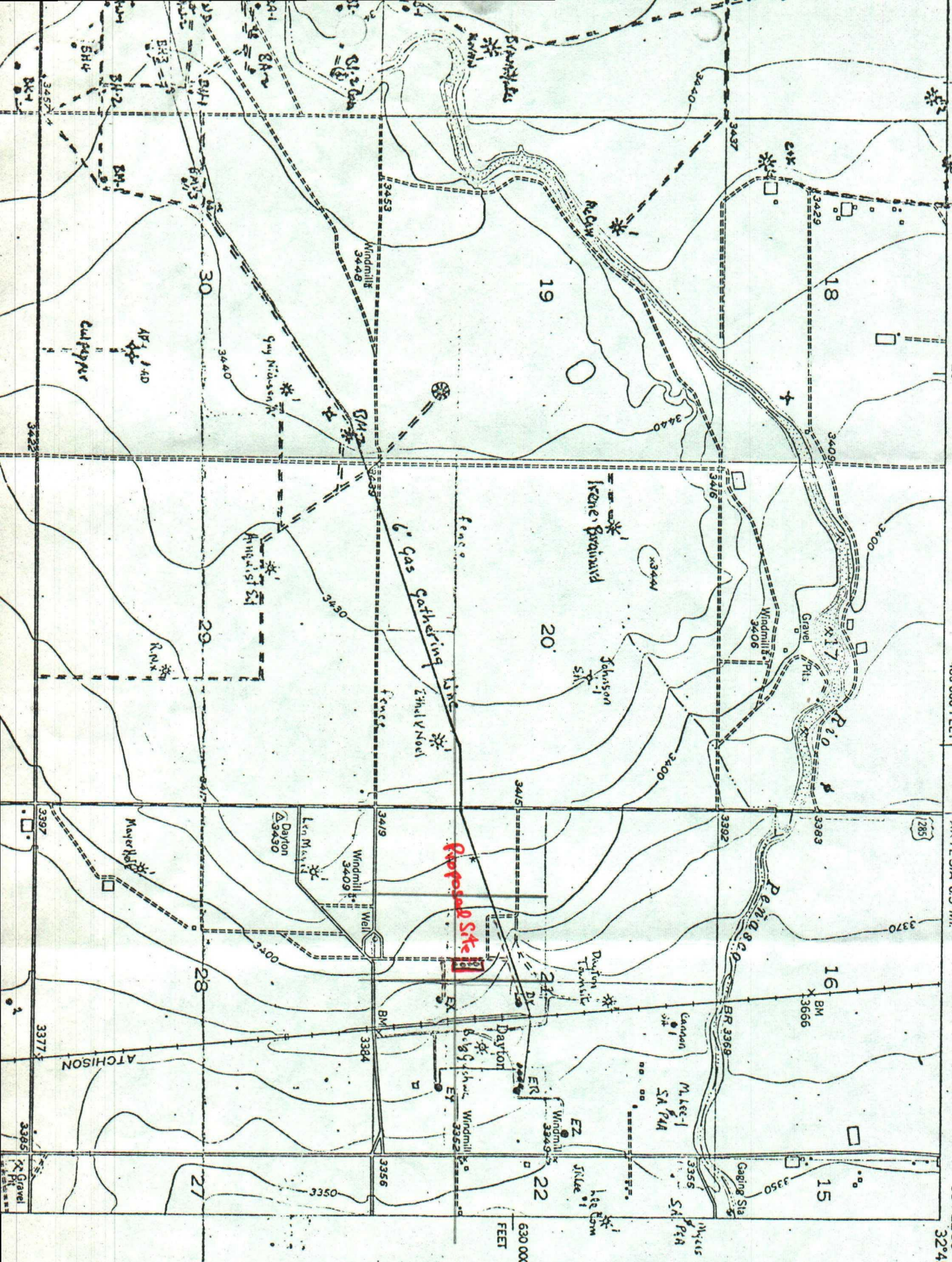
ER 2 I 21

EX 1 O 21

EV 1 P 21

EZ 1 H 21

~~General~~ DX 1 J 21



R. 35 E. R. 2. CN 1

480,000 FEET

ROSWELL 5.1 MI.
ARTESIA 6.5 MI.

DAYTON QUADRANGLE
NEW MEXICO-EDDY CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

104°22'30"
32°45'

630,000
FEET

[illegible]