

NEW MEXICO OIL CONSERVATION COMMISSION
POST OFFICE BOX 2088
SANTA FE, NEW MEXICO 87501

OFF-LEASE STORAGE ORDER OLS-111

Company: V-F Petroleum Inc.
Address: 901 Vaughn Bldg.
City, State, Zip: Midland, Texas 79701

Attention: Mr. V. F. Vasicek

As an exception to the requirements of Rule 309-A of the Commission Rules and Regulations, and pursuant to the provisions of Rule 309-C, the above-named company is hereby authorized off-lease storage for SRR-Devonian pool production from the following lease:

Lease Name: State 15
Description: SE/4 Section 15, T-9-S, R-32-E, Lea County

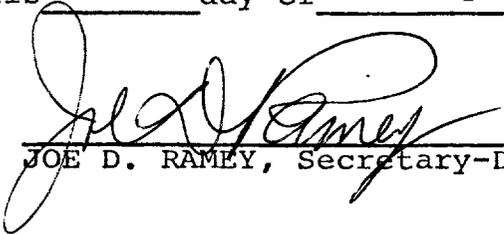
The aforesaid production is to be transported prior to measurement to its own tank battery to be located in

Unit Letter L Section 14 Township 9 South Range 32 East
on the State 14 Lease.

Note: This installation shall be operated in accordance with the provisions of Rules 309-A and 309-B of the Commission Rules and Regulations, and there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to each of the above leases.

REMARKS:

DONE at Santa Fe, New Mexico, on this 13th day of January, 1978.



JOE D. RAMEY, Secretary-Director

V-F Petroleum Inc.

oil & gas operations 901 vaughn building midland, texas 79701 215 683-3344

JAN 13 1978

January 11, 1978

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

Re: V-F Petroleum Inc.
State 15-1 Lease,
Sec. 15, T-9-S, R-32-E, and
State 14-1 Lease,
Sec. 14, T-9-S, R-32-E,
SRR Devonian Field,
Lea County, New Mexico

Gentlemen:

V-F Petroleum Inc. respectfully requests an exception to Rule 309-A to permit the production from our State 15-1 Lease to be pipelined to our State 14-1 Lease for storage thereon prior to measurement. V-F Petroleum Inc. made an unsuccessful attempt to make a Devonian producer in the State 14-1 Well No. 1, and we herein request permission to use all of the oil and water treatment and storage facilities, electrical and other equipment, located on the State 14-1 Lease for the State 15-1 Lease production. Granting this approval would mean a substantial savings to V-F Petroleum Inc. and permit us to maintain a more satisfactory and prudent field operation.

There will be no commingling of production from the two leases as all production is from the State 15-1 Well No. 1, which produces from the Devonian. The State 14-1 will be converted to salt water disposal pending a hearing and subsequent approval of the Land Commission and Conservation Commission.

Please find attached a plat showing pertinent information, the locations of both leases, and the wells thereon.

A copy of this letter (application) and plat is being sent to the Land Commission, the only owner involved other than V-F Petroleum Inc. If there are any questions, please advise.

Yours very truly,


V. F. Vasicek
President

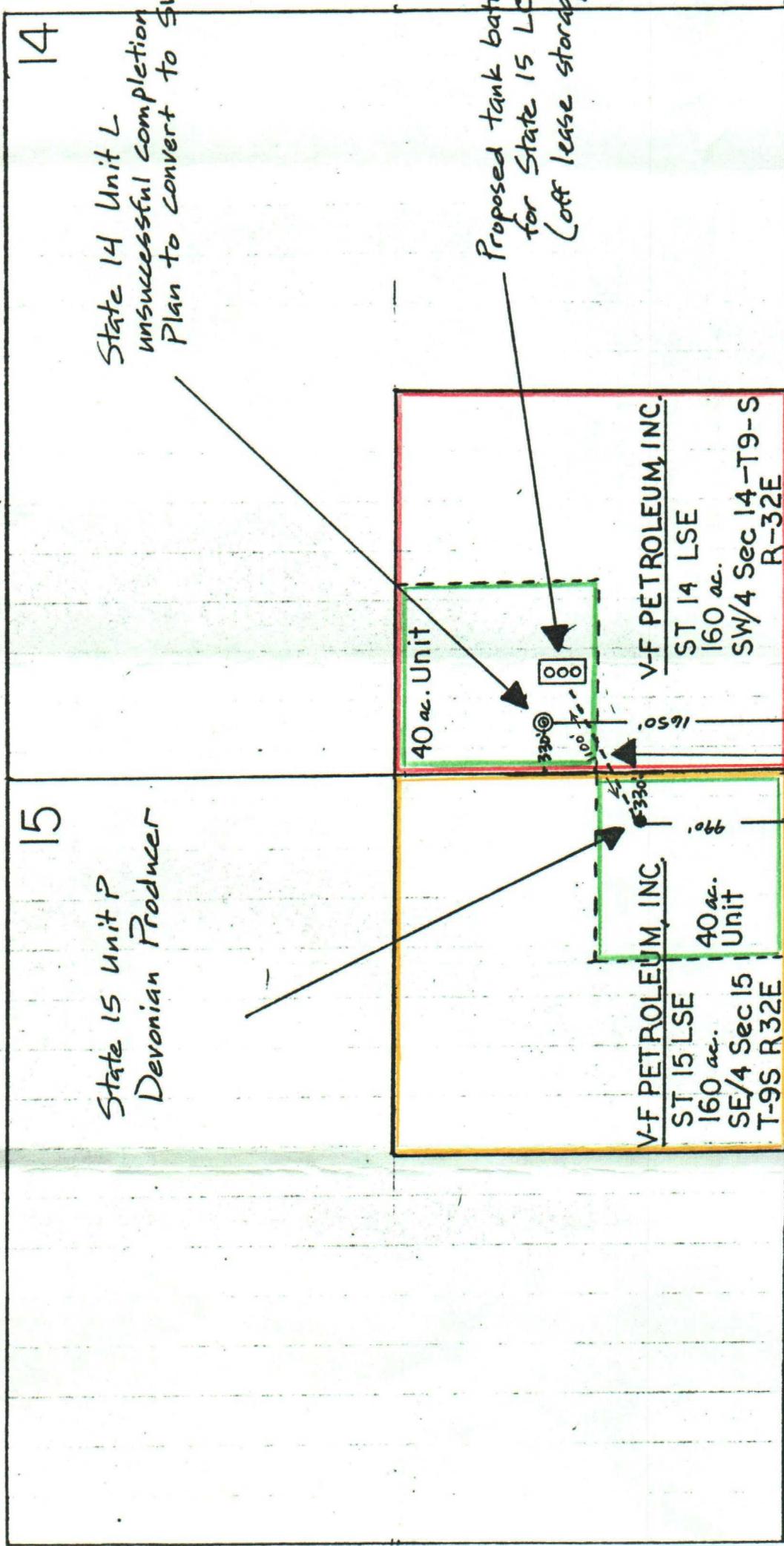
VFV:bp

att: (1) Plat

State of New Mexico
Oil Conservation Commission
State 15-1 and State 14-1
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xc: State of New Mexico
Commissioner of Public Lands
ATTN: Mr. Ray Graham
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Oil Conservation Commission
ATTN: Mr. Jerry T. Sexton
P. O. Box 1980
Hobbs, New Mexico 88240



14

State 14 Unit L
 unsuccessful completion in the Devonian
 Plan to convert to SWD immediately

40 ac. Unit

Proposed tank battery
 for State 15 Lease
 (off lease storage)

V-F PETROLEUM, INC.
 ST 14 LSE
 160 ac.
 SW/4 Sec 14-T9-S
 R-32E

15

State 15 Unit P
 Devonian Producer

V-F PETROLEUM, INC.
 ST 15 LSE
 160 ac.
 SE/4 Sec 15
 T-9S R32E

40 ac.
 Unit

PLAT of V-F PETROLEUM, INC. STATE 14 and
 STATE 15

Leases Sec 14 and 15 T9S R-32E
 SRR Devonian Field
 Lea Co., New Mexico

Proposed
 Flowline

Scale 1" = 1000'