

Open file

OIL CONSERVATION COMMISSION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

August 9, 1961

Mr. James V. Leak
Dorfman Production Company
836 Mercantile Dallas Building
Dallas 1, Texas

Dear Mr. Leak:

Frac oil should never appear as production or as oil in storage on a lease as far as Form C-115 is concerned.

The procedure for frac oil is as follows:

1. Within three days after the oil transfer to the lease is completed a letter should be filed showing the source of the oil, the transporter, the volume of oil and the date the transfer was completed.
2. When the frac oil is transferred to another lease, follow the above procedure again.
3. When the oil is to be marketed from a lease, Form C-126 should be filed to authorize the transporter to move the oil.

If we can be of further assistance, please contact us.

Yours very truly

A. R. Kendrick
Engineer, District #3

ARK:ks

