STATE OF NEW MEXICO



ENERGY AND MINERALS DEPARTMENT

TONEY ANAYA GOVERNOR

July 17, 1984 September 15, 1983 POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

Yates Petroleum Corporation 207 South Fourth Street Artesia, NM 88210

Attention: David F. Boneau, Engineering Manager

Re: OLM-

Dear Mr. Boneau:

EIGHT Your letter requesting off-lease measurement of natural gas from four of your Pecos Slope Abo Field wells has been reviewed. Because of the special circumstances involved in allowing a gas transmission line hook-up of these wells, which might not otherwise be able to produce, we find your request reasonable and just.

In order to permit these wells to be produced, thereby preventing waste and protecting correlative rights, the proposed off-lease gas measurement for the subject wells is approved subject to the following conditions:

- All flow lines shall be maintained in a safe and adequate condition and any leaks or failures must be reported to the Division.
- 2. All separation and liquid storage facilities shall be located on the originating lease.
- 3. The meters shall be read and maintained by the gas purchaser.
- 4. Federal and State approval is required where applicable.

In addition, all production, storage, transportation, sales and other operations shall comply with Division Rules and Regulations. A list of the approved wells is attached. Should you have any questions concerning this matter, please contact Gilbert Quintana at 827-5807.

Sincerely, unlina zineer rum En

JDR/GQ/dp

Attachment

cc: Gilbert Quintana JOE D. RAMEY, DIRECTOR OCD-Artesia Minerals Management - Albuquerque Transwestern Pipeline Co. - Roswell

PECOS SLOPE ABO FIELD WELLS APPROVED FOR OFF-LEASE GAS MEASUREMENT

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- 1) Caudill RZ No. 3 1980S + 660W Section 9, T6S, R26E
- 2) Huckaby TJ Federal No. 1 660S + 660W Section 18, T8S, R26E
- 3) Huckaby TJ Federal No. 2 330N + 660W Section 19, T8S, R26E
- 4) Huckaby TJ Federal No. 3
 1980N + 1980E
 Section 19, T8S, R26E
- 5) Ingram WY Federal No. 1 990N + 800E Section 18, T7S, R26E
- 6) Morton SZ Federal No. 3 860N + 1980W Section 10, T8S, R25E
- 7) Nortex WN State No. 1 660N + 1980W Section 22, T9S, R26E
- 8) Thorpe MI Federal No. 9 1880N + 660W Section 22, T7S, R25E