

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

OFF-LEASE STORAGE ORDER OLS-160

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Union Texas Petroleum 400 N. Big Spring Midland, TX 79705

Attention: Ken White

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

Lease Name: North Young Federal Lease Description: NW/4 NW/4 Section 12, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.

The aforesaid production is to be transported prior to measurement to its own tank battery to be located in Unit H, Section 11, Township 18 South, Range 32 EAst on the Short Fuse Federal Lease.

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

DONE at Santa Fe, New Mexico, on this 21 day of August, 1987.

WILLIAM J. LEMAY, Director