OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO

May 19, 1965

Amerada Petroleum Corporation P. O. Box 668 Hobbs, New Mexico

Attention: Mr. D. C. Capps

Administrative Order OLS-38

Gentlemen:

Reference is made to your letter of April 27, 1965, wherein you request administrative approval of an exception to Rule 309-A to permit the offlease storage of oil produced from your S. E. Anderson "A" Lease comprising the SE/4 of Section 19, Township 9 South, Range 35 East, Jenkins Cisco Pool, Lea County, New Mexico.

It is our understanding that you wish to locate the tank battery for this well in Unit B, Section 30, Township 9 South, Range 35 East.

Pursuant to the authority vested in me by Rule 309-C of the Commission Rules and Regulations, you are hereby authorized the off-lease storage outlined above, provided, however, that there shall be no intercommunication of the treating, handling, or storage facilities for this or any other production.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALP:DSN:sg

cc: Oil Conservation Commission (with enclosure) - Hobbs Oil & Gas Engineering Committee - Hobbs Amerada Petroleum Corporation Box 668 Hobbs, New Mexico

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GENERAL OFFICE Box 2040 TULSA 2, OKLA.

April 27, 1965

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

Attention: Mr. A. L. Porter

Re: Request for an off lease storage permit on the S. E. Anderson lease located in Unit B, Sec. 30, T-9-S, R-35-E, Lea County, New Mexico.

Dear Sir:

Amerada Petroleum Corporation requests permission to store on the S. E. Anderson Lease condensate produced from the S. E. Anderson "A" No. 1 located in Unit P, Sec. 19, T-9-S, R-35-E, Lea County, New Mexico.

The tanks that are planned to be used were previously used for the S. E. Anderson No. 1, Devonian, which is now temporarily abandoned. The other tanks on the S. E. Anderson are used for Bough C oil storage. There will be no commingling involved.

Magnolia Pipeline Company is the purchaser of the condensate and oil and is presently connected to the tanks involved. Since these tanks are already in place and connected, off lease storage would result in considerable savings to both Amerada and Magnolia Pipeline Company.

Condensate from the Anderson "A" Lease is presently being stored on the Anderson lease by temporary permission granted by Mr. J. D. Ramey. Since this temporary permission expires June 1, 1965, Amerada requests permission to continue off lease storage for the life of the Anderson "A" lease.

Attached are:

1. Plat showing both leases

2. Schematic of battery

Yours very truly,

D. C. Capps District Superintendent

LET/jh

cc: N.M.O.C.C. - Santa Fe
N.M.O.C.C. - Hobbs
Mr. R. S. Christie
Mr. J. O. Hathaway
Mr. J. R. Enloe
Tatum
File