

PHIL R. LUCERO

COMMISSIONER

State of New Mexico



Commissioner of Public Lands
May 13, 1975

TRIEPHONE 505-827-2748

File 95

P. O. BOX 1148 SANTA FE, NEW MEXICO 87501

Stevens Oil Company P. O. Box 1797 Santa Fe, New Mexico 87501

Re: K-2803

Dear Mr. Stevens:

Reference is made to your request to permit the production from your Citgo-State # 2 located in Unit J of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico, to be transported prior to measurement to your Citgo-State "A" lease located in Unit 0 of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico for storage thereon.

You are hereby given approval to the above request. This approval is subject to like approval by the New Mexico Oil Conservation Commission.

Please remit a Ten (\$10.00) Dollar filing fee.

Very truly yours.

PHIL R. LUCERO
COMMISSIONER OF PUBLIC LANDS

BY: RAY D. GRAHAM, Director Oil and Gas Division

PRL/RDG/s enc1.

ec:

New Mexico Oil Conservation Commission New Mexico Oil & Gas Accounting Commission State Lease No. K-2803, OG-4681

State of New Mexico

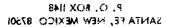




Commissioner of Public Lands

PHIL R. LUCERO COMMISSIONER

May 13, 1975



505-827-2768

Stevens Oil Company P. O. Box 1797 Stein Fr. New Mexico 87501

RU: K-2803

TO HE STEVETET

Reference is made to your request to permit the production from prover of the production from prover of the production from prover of the production of the permit of the proves of the prover of the provence of the provence

You are hereby given approval to the above request. This approval is subject to like approval by the New Mexico Oil Conservation Counteriou.

Figure ventu a Ton (810.00) holler filling fee.

Very truly yours,

PHIL R. LUCERO COMMISSIONER OF PUBLIC LAWES

> PY: RAY D. GRAHAM, Director Oil and Cas Division

> > NIJEXE/A

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New Mexico Oil Conservation Commission New Mexico Oil & Gas Accounting Commission State Lease No. K-2803, OG-4681

FORMERLY TWINLAKES OIL COMPANY

P. O. BOX 1797

SANTA FE, NEW MEXICO 87501

Donald G. Stevens
Owner

505 982-8583

May 8, 1975

Secretary-Director N.M. Oil Conservation Commission State Land Office Building Santa Fe, New Mexico 87501 OL 5 - 95 Lated 5/23/75

Gentlemen:

Stevens Oil Company seeks an exception to Rule 309-A to permit the production from its Citgo-State #2 located in Unit J of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico, to be transported prior to measurement to its Citgo-State "A" lease located in Unit O of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico for storage thereon. The ownership of the Citgo-State lease is as follows:

- 1. Stevens Oil Company is the operator with a 4.296875% ORR and a 37.5% working interest after payout.
- 2. Harvard Exploration Co. owns 75% working interest until payout and 37.5% working interest after payout. H. Lee Harvard owns a 1% overriding royalty interest.
- 3. Cities Service Oil Company is the owner of an overriding royalty interest amounting to 8.203125% of the 87.5% working interest.
- 4. The State of New Mexico is the owner of a 12.500% royalty interest.

The ownership of the SW/4SE/4 of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico is as follows:

- 1. Stevens Oil Company is the operator with a 4.296875% ORR and a 37.5% working interest after payout.
- 2. Harvard Exploration Co. owns 75% working interest until payout and 37.5% working interest after payout.
- 3. Cities Service Oil Company is the owner of an overriding royalty interest amounting to 8.203125% of the 87.5% working interest
- 4. The State of New Mexico is the owner of a 12.500% royalty interest.

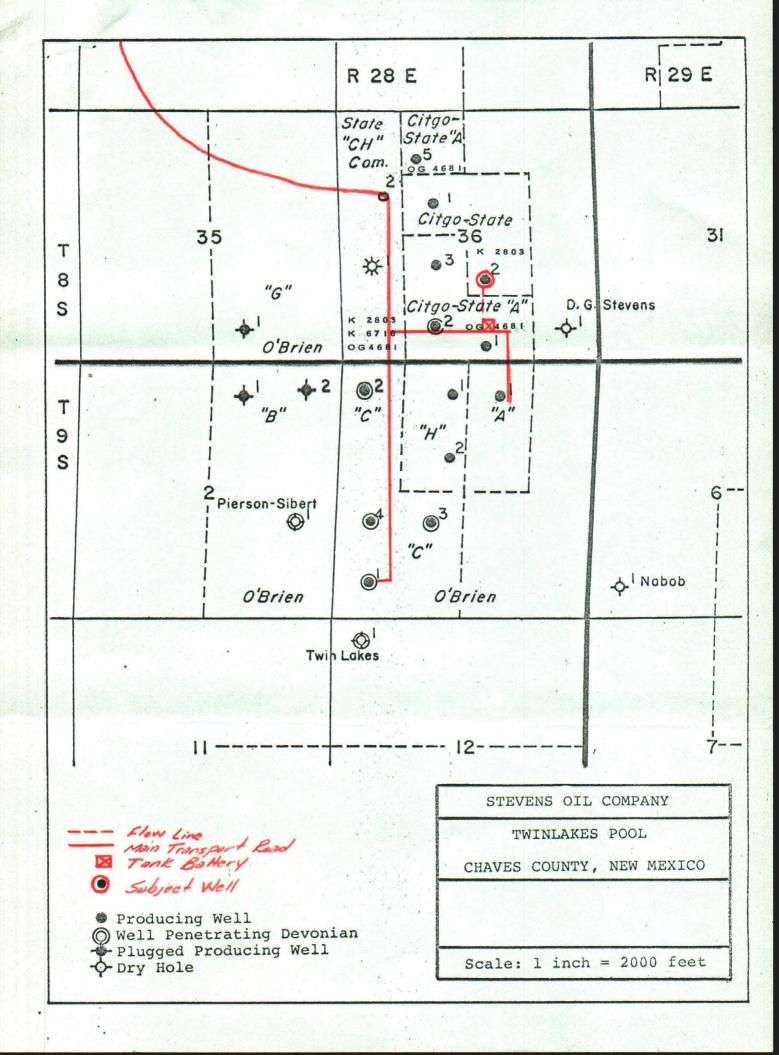
Enclosed is a plat showing the wells on the leases and the formations in which completed and also the location of tank battery and flowlines. Tank battery has been located in this site to facilitate offloading into transports along the company's main all-weather transport road. The applicant further states:

- 1. All production is from the same common source of supply.
- 2. Commingling of production from the two leases will not result.
- 3. There will be no intercommunication of the handling, separating, treating, or storage facilities designated to each lease.
- 4. All parties owning a working or royalty interest in the lease have consented in writing to the off-lease storage or will consent in writing to the off-lease storage or have been mailed registered certified mail of Stevens Oil Company's intent to transport as set out herein. Evidence of the above will be furnished the Commission shortly.
- 5. State lands are involved and evidence will be furnished that the Commissioner of Public Land will consent to the proposed off-lease storage.

Yours very truly,

Donald G. Stevens

DGS/wl Enc.



FORMERLY TWINLAKES OIL COMPANY

P. O. BOX 1797

SANTA FE, NEW MEXICO 87501

Donald G. Stevens Owner

505 982-8583

May 8, 1975

Mr. H. Lee Harvard Harvard Exploration, Ltd. P.O. Box 936 Roswell, New Mexico 88201

> Off-Lease Storage: Re: Citqo State #2

> > Unit J, Sec. 36, 8S, 28E Chaves County, N.M., to Unit O, Sec. 36, 8S, 28E

Dear Mr. Harvard:

Enclosed are completion reports on the Stevens Oil Company Citgo-State No. 2 well (originally filed as the Citgo-State "B" No. 2).

Also enclosed is a copy of an application for off-lease storage directed to the New Mexico Oil Conservation Commission whereby production from this well will be transported to and stored in a presently existing tank one-quarter mile south. This tank has been constructed on our main all-weather transport road to facilitate offloading. Inasmuch as a twenty-day waiting period is required by the Commission unless you agree in writing to the off-lease storage, I would appreciate your immediate approval of said off-lease storage by executing in the lower left-hand corner and returning a copy to me immediately. Should it be necessary to wait the full twenty-day period there is a possibility we will run out of storage and be forced to shut-in the well.

Yours very truly,

Donald G. Stevens

APPROVAL OF OFF LEASE STORAGE on Unit O, Section 36, T 8 S, R 28 E,

Chaves County, New Mexico, ACCEPTED this 13th day of May, 1975.

HARVARD EXPLORATION, LTD.

FORMERLY TWINLAKES OIL COMPANY

P. O. BOX 1797

SANTA FE, NEW MEXICO 87501

Donald G. Stevens Owner

505 982-8583

May 8, 1975

REGISTERED MAIL

Cities Service Oil Company 800 Vaughn Building Midland, Texas 79701

Attention: J. Frank Riney

Re: Off-Lease Storage: Citgo State #2

> Unit J, Sec. 36, 8S, 28E Chaves County, N.M., to Unit O, Sec. 36, 8S, 28E

Gentlemen:

Enclosed are completion reports on the Stevens Oil Company Citgo-State No. 2 well (filed initially as the Citgo-State "B" No. 2) which is the third well drilled and completed under the terms of that certain farmout contract between Cities Service and Donald G. Stevens, dated August 27, 1973, and amended by letters of September 11, 1973 and January 31, 1974.

Under the terms of said farmout contract Donald G. Stevens is entitled to the assignment as set forth therein since the well has been completed as a producer of oil and gas under said terms. I would appreciate your forwarding to Donald G. Stevens said assignment at your earliest convenience.

Also enclosed is a copy of an application for off-lease storage directed to the New Mexico Oil Conservation Commission whereby production from this well will be transported to and stored in a presently existing tank one-quarter mile south. This tank has been constructed on our main all-weather transport road to facilitate offloading. Inasmuch as a twenty-day waiting period is required by the Commission unless you agree in writing to the off-lease storage, I would appreciate your immediate approval of said off-lease storage by executing in the lower left-hand corner and returning a copy to me immediately. Should it be necessary to wait the full twenty-day period there is a possibility we will run out of storage and be forced to shut-in the well.

Yours very truly,

Donald C Stovens

APPROVAL of off-lease storage on Unit O, Section 36, T 8 S, R 28 E,

Chaves County, New Mexico,

ACCEPTED this day of May, 1975.

CITTES SERVICE OIL COMPANY

By Steller

State of New Mexico

TELEPHONE 505-827-2748





Commissioner of Public Lands

PHIL R. LUCERO COMMISSIONER

May 13, 1975

P. O. BOX 1148 SANTA FE, NEW MEXICO 87501

Stevens Oil Company P. O. Box 1797 Santa Fe, New Mexico 87501

Re: K-2803

Dear Mr. Stevens:

Reference is made to your request to permit the production from your Citgo-State # 2 located in Unit J of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico, to be transported prior to measurement to your Citgo-State "A" lease located in Unit O of Section 36, Township 8 South, Range 28 East, Chaves County, New Mexico for storage thereon.

You are hereby given approval to the above request. This approval is subject to like approval by the New ${}^{M}\!\!$ exico Oil Conservation Commission.

Please remit a Ten (\$10.00) Dollar filing fee.

Very truly yours,

PHIL R. LUCERO

COMMISSIONER OF PUBLIC LANDS

BY: RAY D. GRAHAM, Director

Oil and Gas Division

PRL/RDG/s encl.

cc:

New Mexico Oil Conservation Commission New Mexico Oil & Gas Accounting Commission State Lease No. K-2803, OG-4681

FORMERLY TWINLAKES OIL COMPANY

P. O. BOX 1797

SANTA FE, NEW MEXICO 87501

Donald G. Stevens Owner



May 8, 1975

Commissioner of Public Lands State Land Office Building Santa Fe, New Mexico 87501

Attention: Mr. Ray Graham

Re: K 2803

16,2803 81 C.S

Gentlemen:

Enclosed is a copy of a request for off-lease storage directed to the New Mexico Oil Conservation Commission. As shown in said request Stevens Oil Company seeks approval of transporting and storing oil from its No. 2 Citgo-State of State Lease K 2803 to a tank battery located approximately one-eighth mile south on State Lease OG 4681.

This tank battery is already in position along our company's main all-weather transport road to facilitate offloading. As shown on the enclosed request there will be no inter-communication of this well with other wells.

Commission rules provide that the State of New Mexico must approve of said request where State land is involved prior to the Commission's approval. I would appreciate your favorable consideration of this request.

Yours very truly,

Donald G. Stevens

DGS/wl Enc.

