



**STANDARD OIL COMPANY OF TEXAS**

P. O. BOX 1249 • HOUSTON 1 • TEXAS

December 2, 1957

New Mexico Oil Conservation Commission  
P.O. Box 871  
Santa Fe, New Mexico

Gentlemen:

Attached is the application of Standard Oil Company of Texas for exception to Rule 309 (a) of the rules and regulations to permit production into a single tank battery, located outside the flood plain of the Pecos River, from the following five leases in Section 12, T-18-S, R-26-E, Atoka Field, Eddy County, New Mexico: SW/4 of SE/4, NW/4 of NW/4, NW/4 of SE/4, SE/4 of NW/4, SW/4 of NE/4.

Included with the application is a map of the area showing the five leases for which exception is being requested at this time.

Yours very truly,

C. N. Segnar,  
Chief Engineer

RHS/bh  
Attach.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
STANDARD OIL COMPANY OF TEXAS FOR  
EXCEPTION TO RULE 309 (a) OF THE  
RULES & REGULATIONS IN ORDER TO  
PRODUCE INTO A SINGLE TANK BATTERY,  
LOCATED OUTSIDE THE FLOOD PLAIN OF  
THE PECOS RIVER, PRODUCTION FROM  
THE FOLLOWING FIVE LEASES OPERATED  
BY STANDARD OIL COMPANY OF TEXAS IN  
SECTION 12, T-18-S, R-26-E, ATOKA  
FIELD, EDDY COUNTY, NEW MEXICO:  
SW/4 OF SE/4, NW/4 OF NW/4, NW/4  
OF SE/4, SE/4 OF NW/4, SW/4 OF  
NE/4.

A P P L I C A T I O N

In support of this application, the applicant, Standard Oil Company of Texas, submits the following:

1. That applicant and Gulf Oil Corporation are owners of oil and gas leases comprising several small tracts in Section 12, T-18-S, R-26-E, Eddy County, New Mexico as follows: SW/4 of SE/4, NW/4 of NW/4, NW/4 of SE/4, SE/4 of NW/4, SW/4 of NE/4.
2. That applicant and Gulf Oil Corporation have negotiated an operating agreement whereby, to permit more orderly development and economical operation of the leases, applicant will operate leases held by the two companies in the above-mentioned Section.
3. That the leases fall within the area of the Atoka Field, Eddy County, New Mexico, and that proposed development will be from a common source of supply.
4. That the leases lie in the flood plain of the Pecos River which would periodically subject producing installations and equipment to destructive forces of nature.
5. That erection of a tank battery on each of the leases would cause unnecessary expense to the operators.
6. That storage of all production from the aforementioned leases into common tankage at a location out of the flood plain would prevent possible flooding, with resulting waste, as well as permit more orderly and economical operation.
7. That adequate metering facilities will be installed to account for production from each lease or unitized tract separately.
8. That production of oil into common storage will not create waste or impair correlative rights.

9. That waivers are being requested from royalty owners to permit commingling of production from above set-out leases.
10. That a copy of this application has been furnished to the offset operators of each lease or unitized tract.

Therefore, the applicant requests that this application for exception to Rule 309 (a) be set for examiner hearing at a time and place convenient to the Commission.

STANDARD OIL COMPANY OF TEXAS

  
By C. N. Segnar,  
Chief Engineer