OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

RECEIVED

January 5, 1976

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ARTEGIA, OFFICE

Yates Petroleum Corp. 207 South 4th Street Artesia, New Mexico 88216

Attention: Mr. Eddie M. Mahfood

Administrative Order OLS-98

Gentlemen:

Reference is made to your letter dated December 30, 1975, wherein you request authority for off-lease storage for Atoka-San Andres production from your EX Lease, which comprises the SW/4 SE/4 of Saction 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. It is our understanding that the tank battery for this lease would be located on your Gushwa DX Lease in the NE/4 SW/4 of said Section 21.

Pursuant to authority granted me by Rule 309-C of the Commission Rules and Regulations, Yates Petroleum Corporation is hereby authorized off-lease storage as described above, provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to each lease.

Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/DSN/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobba