Department of the Interior GEOLOGICAL SURVEY CONSERVATION DIVISION MANUAL

Onshore Oil and Gas Program Series Part 644 - Producing Operations

Chapter 3 - Handling of Production

644.3.3H

measurement. Provisions must also be included in these types of approvals requiring that royalty be paid on any hydrocarbon liquids that may be lost between the lease and the off-lease measurement or storage point. Application for approval of offlease storage and/or measurement must include the following itens:

(1) 'A formal request for approval of off-lesse storage and/or measurement with appropriate explanations and diagrams

describing the proposed operation in detail and containing the reasons for the proposal.

- A map showing the lease numbers and location of all leases (2) and wells that will be connected to the proposed off-lease facility. All unitized or communitized areas, producing zones, or pools, etc. must be clearly illustrated or detailed by suitable means.
- (3) A schematic diagram which clearly locates and identifies all equipment that will be utilized.
- (4) Estimated amounts and types of production involved.
- (5) Details of the proposed method for handling and measuring production for each lease involved.

RECEIVED RM & MC MAR 13 1995 OPER. HPI DENVER

• 3