



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

July 17, 1984

Yeates Petroleum Corporation
207 South Fourth Street
Artesia, NM 88210

Attention: David F. Boneau,
Engineering Manager

Re: OLM-4

Dear Mr. Boneau:

Your letter requesting off-lease measurement of natural gas from eight of your Pecos Slope Abo Field wells has been reviewed. Because of the special circumstances involved in allowing a gas transmission line hook-up of these wells, which might not otherwise be able to produce, we find your request reasonable and just.

In order to permit these wells to be produced, thereby preventing waste and protecting correlative rights, the proposed off-lease gas measurement for the subject wells is approved subject to the following conditions:

1. All flow lines shall be maintained in a safe and adequate condition and any leaks or failures must be reported to the Division.
2. All separation and liquid storage facilities shall be located on the originating lease.
3. The meters shall be read and maintained by the gas purchaser.
4. Federal and State approval is required where applicable.

In addition, all production, storage, transportation, sales and other operations shall comply with Division Rules and Regulations. A list of the approved wells is attached. Should you have any questions concerning this matter, please contact Gilbert Quintana

PECOS SLOPE ABO FIELD WELLS
APPROVED FOR OFF-LEASE GAS
MEASUREMENT

- 1) Caudill RZ No. 3
1980S + 660W
Section 9, T6S, R26E
- 2) Huckaby TJ Federal No. 1
660S+ 660W
Section 18, T8S, R26E
- 3) Huckaby TJ Federal No. 2
330N + 660W
Section 19, T8S, R26E
- 4) Huckaby TJ Federal No. 3
1980N + 1980E
Section 19, T8S, R26E
- 5) Ingram WY Federal No. 1
990N + 800E
Section 18, T7S, R26E
- 6) Morton SZ Federal No. 3
860N + 1980W
Section 10, T8S, R25E
- 7) Nortex WN State No. 1
660N + 1980W
Section 22, T9S, R26E
- 8) Thorpe MI Federal No. 9
1880N + 660W
Section 22, T7S, R25E

at 827-5807.

Sincerely,

Gilbert P. Quintana

Gilbert P. Quintana
Petroleum Engineer

GPQ/bok

Attachment

cc: Joe D. Ramey, Director
OCD-Artesia
Minerals Management - Albuquerque
Transwestern Pipeline Co. - Roswell