

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 4, 1962

Texas Pacific Coal and Oil Company
Midland, Texas

Attention: Mr. John Yuronka

Administrative Order OLS-3

Gentlemen:

Reference is made to your letter of June 1, 1962, in which you request approval of off-lease storage for your State "AC" Well No. 1, located in the SE/4 SW/4 of Section 15, Township 10 South, Range 36 East, South Crossroads Devonian Pool, Lea County, New Mexico.

Under authority granted me by Rule 309 (c) of the Commission Rules and Regulations, Texas Pacific Coal and Oil Company is hereby authorized to transport oil produced from the South Crossroads Devonian Pool underlying its State "AC" Lease, comprising the SW/4 of Section 15, Township 10 South, Range 36 East, Lea County, to a separate tank battery for said lease to be located of your State "O" Lease, said battery to be located in the NW/4 SE/4 of said Section 15.

There shall be no intercommunication of the handling, separating, treating, or storage facilities designated to each lease.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/og

cc: Commissioner of Public Lands - Santa Fe
Oil Conservation Commission - Hobbs

309 (c).

In view of the facts set out herein, it is respectfully requested that the Commission grant administrative approval of the off-lease storage for the State "AC" Lease on the State "O" Lease.

Yours very truly,

TEXAS PACIFIC COAL AND OIL COMPANY

By John Yuronka
John Yuronka, Division Engineer

TEXAS PACIFIC COAL AND OIL COMPANY

MIDLAND, TEXAS

JUNE 1, 1962

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

OLS-3
Please make
file & write order

Re: Texas Pacific Coal and Oil Company's
application for off-lease storage for
its New Mexico State "AC" Lease in
Section 15, Township 10 South, Range
36 East, South Crossroads Devonian
Pool, Lea County, New Mexico

Gentlemen:

Texas Pacific Coal and Oil Company respectfully requests administrative approval under the provisions of Statewide Rule 309 (c) by Order No. R-2174 for off-lease storage for its New Mexico State "AC" Lease on Texas Pacific Coal and Oil Company's New Mexico State "O" Lease, both leases constituting the south half of Section 15, Township 10 South, Range 36 East, Lea County, New Mexico.

The New Mexico State "AC" Lease covers the southwest quarter of said section. State "AC" Well #1 is located 660' from the south line and 1980' from the west line of Section 15 and is in the process of being completed from the South Crossroads Devonian Pool. With the approval of the above-mentioned application, it is proposed to erect a tank battery for the State "AC" Lease adjacent to the tank battery presently located in the southeast quarter northwest quarter southeast quarter on the State "O" Lease. The latter lease covers the southeast quarter of Section 15 and the only producing well-Well #1-is also producing from the South Crossroads Devonian Pool. This well is located 1980' from the south and east lines of Section 15.

The proposed location of the State "AC" tank battery will make a pipeline connection available immediately and thereby eliminate oil-trucking charges.

The interested parties have signed waivers of objections. The State of New Mexico is the royalty owner for both leases and Ohio Oil Company has an overriding royalty on the State "O" Lease.

In support of this request, the following requirements of said Rule 309 (c) will be conformed to for the proposed off-lease storage:

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 an interest in the leases have consented in writing to the off-lease storage.

Attached hereto is a plat showing the wells on the leases involved, the formations in which they are completed, the proposed location of the State "AC" tank battery and the location of the State "O" tank battery per Rule 309 (c).

In view of the facts set out herein, it is respectfully requested that the Commission grant administrative approval of the off-lease storage for the State "AC" Lease on the State "O" Lease.

Yours very truly,

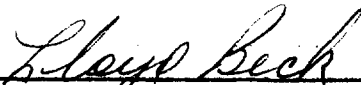
TEXAS PACIFIC COAL AND OIL COMPANY

By John Yuronka
John Yuronka, Division Engineer

THE STATE OF TEXAS X

COUNTY OF MIDLAND X

Subscribed and sworn to before me, the undersigned authority, by JOHN YURONKA, on this 1st day of June, A. D. 1962, to certify which witness my hand and seal of this office.

 LLOYD BECK

Notary Public in and for Midland
County, Texas

Delivered in Person to:

The New Mexico State Land Department
Box 791
Santa Fe, New Mexico

Ohio Oil Company
Box 552
Midland, Texas

T-10-S — R-36-E

State

16

Texas Pacific Coal & Oil Co.

"U"

15

"AC"

"O"

1-Dev

← State "O" Tank Battery

← State "AC" Tank Battery

1-Dev

State

21

22

Scale: 4" = 1 mile

South Crossroads Devonian
State "O" and State "AC" Lease
Well and Tank Battery Locations

Ohio Oil Company
Box 552
Midland, Texas

WAIVER OF OBJECTION TO OFF-LEASE STORAGE

This is to certify that Ohio Oil Company, an interested party to Texas Pacific Coal and Oil Company's proposal for off-lease storage of its New Mexico State "AC" Lease on its New Mexico State "O" Lease, hereby waives any and all objections to the above-mentioned off-lease storage located in Section 15, Township 10 South, Range 36 East, South Crossroads Devonian Pool, Lea County, New Mexico as per Statewide Rule 309 (c) by Order No. R-2174.

Ohio Oil Company

By: Carl A. Miller

Title: District Manager

The New Mexico State Land Department
Box 791
Santa Fe, New Mexico

WAIVER OF OBJECTION TO OFF-LEASE STORAGE

This is to certify that The New Mexico State Land Department, an interested party to Texas Pacific Coal and Oil Company's proposal for off-lease storage of its New Mexico State "AC" Lease on its New Mexico State "O" Lease, hereby waives any and all objections to the above-mentioned off-lease storage located in Section 15, Township 10 South, Range 36 East, South Crossroads Devonian Pool, Lea County, New Mexico as per Statewide Rule 309 (c) by Order No. R-2174.

The New Mexico State Land Department

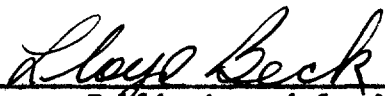
By: E. Smalkey

Title: _____

THE STATE OF TEXAS I

COUNTY OF MIDLAND I

Subscribed and sworn to before me, the undersigned authority, by JOHN YURONKA, on this 1st day of June, A. D. 1962, to certify which witness my hand and seal of this office.

 LLOYD BECK

Notary Public in and for Midland
County, Texas

Delivered in Person to:

The New Mexico State Land Department
Box 791
Santa Fe, New Mexico

Ohio Oil Company
Box 552
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