



TENNECO OIL COMPANY • P. O. BOX 1031 • 1800 WILCO BUILDING • MIDLAND, TEXAS

December 29, 1964

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attention: Mr. Dan Nutter

Gentlemen:

Tenneco respectfully requests your approval of off-lease storage for our Jones Federal "E" Lease, NE/4 of Section 23, in a tank battery located on our Jones Federal "C" Lease, SW/4 of Section 24, both in T-19-S, R-31-E, Eddy County, New Mexico.

Production from the Jones Federal "E" Lease will be trucked out of the field. The location of the tank battery on a better road, closer to other tank batteries, will hold down the cost of road maintenance. By locating this tank battery closer to one with a gas pipeline connection, it will facilitate getting a gas connection for this well, thereby cutting down on the amount of gas to be vented and preventing economic waste.

It is planned to erect a central LACT Facility for the various Jones Federal Leases in the near future at or near the site of the Jones Federal "E" tank battery. By constructing this tank battery at its proposed location it can be utilized in the LACT thus eliminating separate construction costs for a battery that would shortly be abandoned.

All requirements of the New Mexico Oil Conservation Commission Rule 309-C will be adhered to. There will be no commingling of production from the Jones Federal "E" Lease and the Jones Federal "C" Lease. All production from the two leases is from the Lusk Strawn Pool. Handling, separating, treating and storage facilities will be separate.



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Page 2

Attached are plats of the leases involved and a table of division of interest of revenue. Also attached are copies of letters and proof of mailing to each party owning an interest in the production asking their consent to the off-lease storage. The USGS has verbally granted approval of the request. Their written approval will be forwarded at a later date upon its receipt by us.

A temporary 30-day approval was granted verbally by telephone by Mr. Dan Nutter to our Mr. J. F. Carnes, December 28, 1964, pending receipt and approval of our formal application. We respectfully request that you approve this application.

Yours very truly,

TENNECO OIL COMPANY

A handwritten signature in cursive script, appearing to read "A. W. Lang", with a long, sweeping underline.

A. W. Lang
District Production Superintendent

LMR:j
Attachments

