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

March 1, 1965

Tenneco Oil Company P. O. Box 1031 Midland, Texas

Attention: Mr. A. W. Lang

Administrative Order OLS-34

Gentlemen:

Reference is made to your letter of December 30, 1964, wherein you request offlease storage for the Lusk Strawn production from your Sweeney Federal Lease comprising the SW/4 of Section 13, Township 19 South, Range 31 East, Eddy County, New Mexico. It is our understanding that the tank battery for said lease would be located on your Jones Federal "C" Lease in the SW/4 of Section 24, same Township.

Incomech as there will be no commingling of production from the two leases and all handling, separating, treating, and storage facilities for each lease will be separate, the above-described off-lease storage is hereby approved.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALP:DSN:sg

cc: Cil Conservation Commission (with enclosure) - Artesia Oil & Gas Engineering Committee - Hobbs United States Geological Survey - Rosvell

## OIL CONSERVATION COMMISSION PLOLEDX 2038 SAMEATE NEW MEXICO

their I donals

Connico Ell Cuapany ----1, C. Box 1031 Maclind, Takas

Attention: Mr. A. . Lang

soulnessettere under 14 -34

.69**0**5.360

Reference is made to your latter of Lacomban 36, 3954, wherein you reducat offlease storage for the lunk oursem production from your Swamey Federal Lease compositing the 52/4 of Section 13, Township 19 south, Aange 31 hast, 2039 Jounty, (ev lexico, it is our understanding that the tank hattery for said lease would be leasted an your Jones Sederal "G" Lease in the 30/4 of Section 14, some Town ship.

Gassich es there will be la complegiing of production from the tro lesse, and all and the, separating, treating, and corage facilities for each lause will be separate, the above-described off-lasse stores is hereby approved.

Very cruly yours,

a. 1. Forter, Jr.

gatherisa

cc: +11 Geneevation Commission (with enclosure) - AFResia -11 = Geneering Committee - Gobb United States Geological Survey - Roswell

| 1 |                |
|---|----------------|
| , |                |
|   |                |
|   |                |
|   | and the second |
|   | (TENNECO)      |
|   |                |
|   |                |

TENNECO OIL COMPANY • P. O. BOX 1031 • 1800 WILCO BUILDING • MIDLAND, TEXAS 79701

December 30, 1964

With 1-316

Mar Ark

3

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 Sweeney Federal Lease, SW/4 of Section 13, 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 Sweeney Federal 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 Tenneco operated Jones Federal and surrounding leases in the near future at or near the site of the Sweeney Federal 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's Rule 309-C will be adhered to. There will be no commingling of production from the Sweeney Federal 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. TENNECO OIL COMPANY

New Mexico Oil Conservation Commission December 30, 1964 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 and to the Regional Supervisor of the USGS, asking for their consent to the off-lease storage.

We respectfully request that you approve this application for offlease storage.

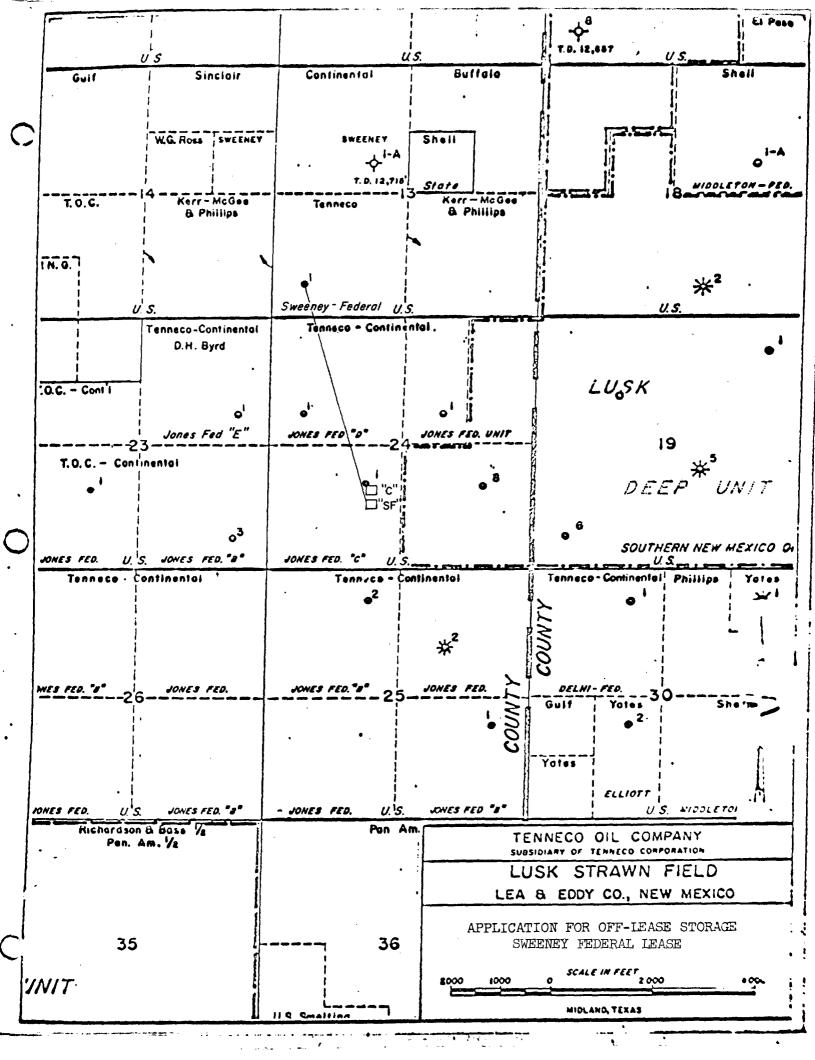
Yours very truly,

TENNECO OIL COMPANY

an

A. W. Lang \ ' \ District Production Superintendent

LMR:j Attachments



## TABLE OF DIVISION OF LEASE OWNERSHIP

Sweeney Federal Lease, SW/4 of Section 13, T-19-S, R-31-E, Eddy County, New Mexico

| Tenneco Oil Company                  | •543750          | WI   |
|--------------------------------------|------------------|------|
| Continental Oil Company              | .103125          | WI   |
| Pan American Petroleum Corporation   | .103125          | WI   |
| United States Geological Survey      | .125000          | RI   |
| H. N. Sweeney and Barbara B. Sweeney | .012500          | ORRI |
| Don Engle and Homer E. Dickes        | .037500          | ORRI |
| Elsie G. Gorman                      | .025000          | ORRI |
| H. N. Sweeney and Barbara B. Sweeney | .025000 <b>*</b> | ORRI |
| Elsie G. Gorman                      | •025000 <b>#</b> | ORRI |

\* Production payment of \$80,000 reverting to Tenneco Oil Company upon final payment.

# Production payment of \$40,000 reverting 1/2 to Tenneco Oil Company, 1/4 to Continental Oil Company and 1/4 to Pan American Petroleum Corporation upon final payment.

Jones Federal "C" Lease, SW/4 of Section 24, T-19-S, R-31-E, Eddy County, New Mexico

| Tenneco Oil Company                              | .420664* | WI   |
|--|----------|------|
| Continental Oil Company                          | .420664* | WI   |
| Unites States Geological Survey                  | ·125000* | RI   |
| Martin Yates III & S. P. Yates                   | .020000  | ORRI |
| Ruby English                                     | .008544  | ORRI |
| Leroy English                                    | .001709  | ORRI |
| Paul Baker English, Jr.                          | .001709  | ORRI |
| Stanley G. English & mother, Juretta L. English  | .000570  | ORRI |
| William B. English & mother, Juretta L. English  | .000570  | ORRI |
| J. Kathleen English & mother, Juretta L. English | .000570  | ORRI |
|  |          |      |

\* Subject to sliding-scale royalty of 12.5% to 32%



TENNECO OIL COMPANY · P. O. BOX 1031 · 1800 WILCO BUILDING · MIDLAND, TEXAS 79701

December 30, 1964

United States Geological Survey P. O. Drawer 1857 Roswell, New Mexico

Attention: Mr. John A. Anderson

Gentlemen:

Tenneco respectfully requests your approval of off-lease storage for our Sweeney Federal Lease, SW/4 of Section 13, 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 Sweeney Federal 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, increasing total revenue, and preventing economic waste.

It is planned to erect a central LACT Facility for the various Tenneco operated Jones Federal and surrounding leases in the near future at or near the site of the Sweeney Federal 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's Rule 309-C will be adhered to. There will be no commingling of production from the Sweeney Federal Lease and the Jones Federal "C" Lease. All production from the two leases is from the Lusk Strawn Pool.

## **TENNECO OIL COMPANY**

United States Geological Survey December 30, 1964 Page 2

Your approval of this request will be appreciated. Please send your approval to New Mexico Oil Conservation Commission, P. O. Box 2088, Santa Fe, New Mexico, Attention: Mr. Dan Nutter, with a copy to us at P. O. Box 1031, Midland, Texas.

Yours very truly,

TENNECO OIL COMPANY

ORIGINAL SIGNED BY A. W. LANG

A. W. Lang District Production Superintendent

LMR: j

cc: NMOCC - Santa Fe