

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 20, 1968

**Watson & Watson**  
**P. O. Drawer E**  
**Artesia, New Mexico**

**Attention: Mr. Fred A. Watson**

**Administrative Order OLS-66**

**Gentlemen:**

Reference is made to your application dated July 30, 1968, for an exception to Rule 309 of the Commission Rules and Regulations to permit off-lease storage for Quasar, Incorporated for its Wilson Federal Lease (N.M.-015068) comprising the E/2 NW/4 of Section 34 and for its Featherstone Federal Lease (N.M.-010907-A) comprising the W/2 NE/4 of Section 34, Township 18 South, Range 29 East, Eddy County, New Mexico. It is proposed to construct the tank batteries for said leases on Quasar's Federal Brainard Lease (L.C.-062029) in the NE/4 of the SW/4 of said Section 34. It is our understanding that production from said leases is from the Turkey Track Pool.

Pursuant to the authority granted me by Rule 309-C of the Commission Rules and Regulations, Quasar, Incorporated is hereby authorized off-lease storage as described above, provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to any of the aforesaid three leases.

Very truly yours,

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

**ALP/DSN/esr**

**cc: Oil Conservation Commission - Artesia**  
**Oil & Gas Engineering Committee - Hobbs**  
**United States Geological Survey - Roswell**

COMMISSION OF CONSERVATION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 10, 1967

Mr. J. W. ...  
P.O. Box ...  
Santa Fe, New Mexico

Dear Mr. ...

Reference is made to your letter of July 27, 1967.

Enclosed

is a copy of the report of the Commission of Conservation and Regulation for the State of New Mexico, dated July 27, 1967, regarding the proposed lease for the production of oil and gas from the ... (N.M. Statute 72-1-1) and the ... (N.M. Statute 72-1-2) ...

The authority granted by Rule 209-C of the Commission Rules and Regulations, ... is hereby ...

Very truly yours,

A. I. FORSTER, Jr.  
Secretary-Director

All Yours

Mr. J. W. ... - ...  
Mr. ... - ...  
Mr. ... - ...

# Quasar, incorporated

OIL PRODUCERS • P. O. BOX 266 • EVANSVILLE, INDIANA 47705 • TEL. (812) 425-5245



Date: July 26, 1968

Hon. A. L. Porter, Jr.,  
Secretary-Director,  
New Mexico Oil Conservation Commission,  
State Land Office Building,  
Santa Fe, New Mexico 87501.

Dear Mr. Porter:

Re: Application to permit production to be  
transported prior to measurement: -

FROM:

U. S. Oil and Gas Lease N.M.-015068,  
insofar as same covers E $\frac{1}{2}$ NW $\frac{1}{4}$  of  
Section 34, Township 18 South,  
Range 29 East, N.M.P.M.;

and

U. S. Oil and Gas Lease N.M.-010907-A,  
insofar as same covers W $\frac{1}{2}$ NE $\frac{1}{4}$  of  
Section 34, Township 18 South,  
Range 29 East, N.M.P.M.;

TO:

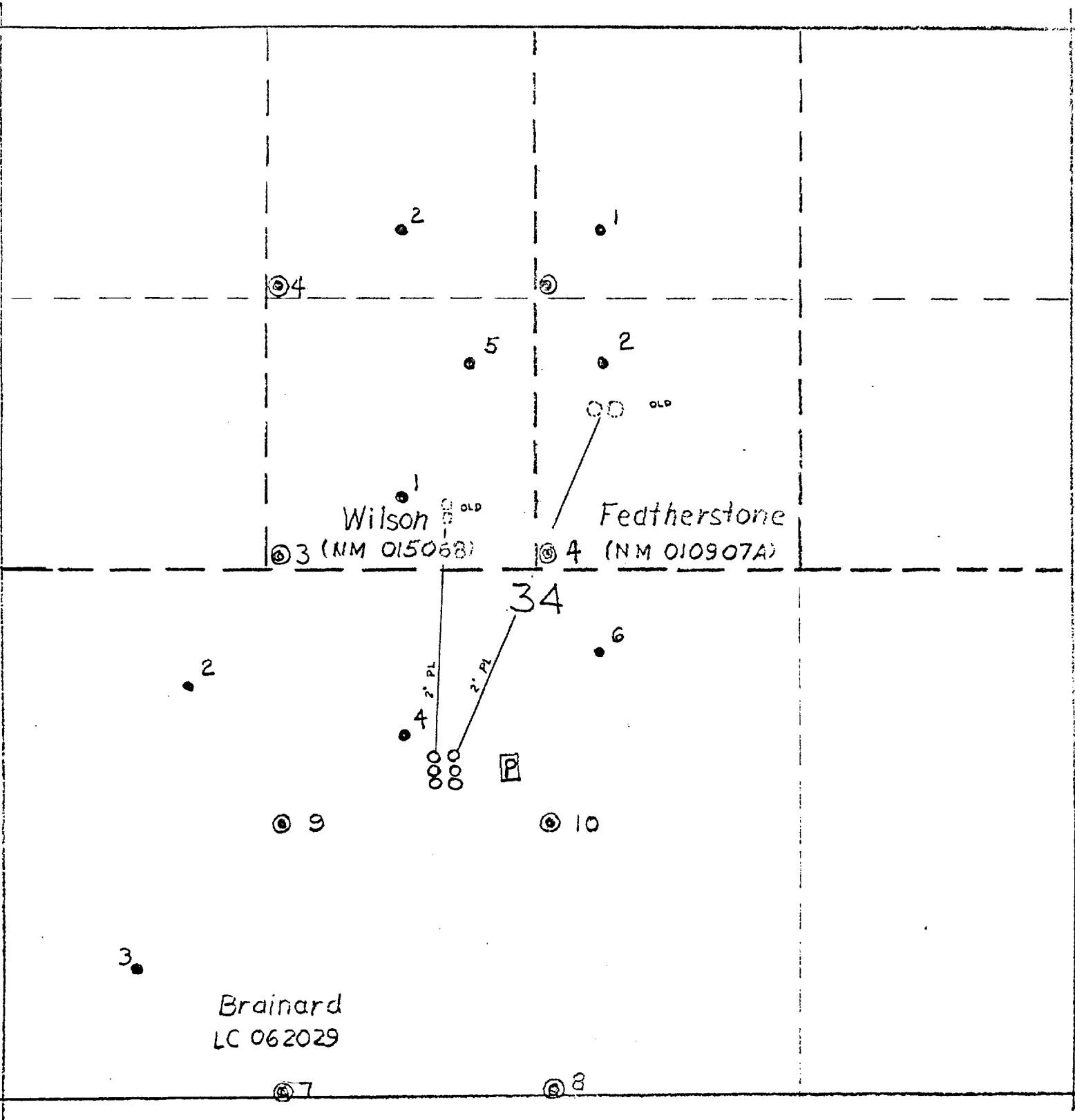
U. S. Oil and Gas Lease L.C.-062029  
(Consolidated), insofar as same covers  
NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 34, Township 18 South,  
Range 29 East, N.M.P.M.,

for storage thereon.

Pursuant to Rule 309-C of the Rules and Regulations of the New Mexico Oil Conservation Commission, application is hereby made by Quasar, Incorporated (formerly R. C. Davoust Company), operator of the leases described in the caption, to permit the production from the first two



EXHIBIT "A"



SECTION 34 T18S R29E  
EDDY COUNTY, NEW MEXICO  
QUASAR OPERATED

Application for permission offlease  
storage of crude oil from Wilson (NM 015068)  
and Featherstone (NM 010907A) to Brainard (LC 062029)

April 10, 1968

EXHIBIT "B" to Application for Off-Lease  
Storage by Quasar, Incorporated.

Lease Ownership: -

U. S. Oil and Gas Lease N.M.-015068, insofar as same  
covers E $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 34, Township 18 South,  
Range 29 East, N.M.P.M., Eddy County, New Mexico.

Record Owner: Wilson Oil Company,  
P. O. Box 457,  
Artesia, New Mexico 88210.

Current Interest Owners:

<u>Owner</u>	<u>Address</u>	<u>Interest</u>
United States of America	U.S.G.S., Drawer 1857, Roswell, N. M. 88201.	.1250000 R.I.
Wilson Oil Company	(address as shown above)	.1093750 O.R.I.
Joe L. Stanton	800 Navarro, San Antonio, Texas 78205.	.0133594 O.R.I.
James Noel	515 Rusk, Room 9136, Houston, Texas 77061.	.0008906 O.R.I.
First City National Bank of Houston (mortgagee of production payment)	1001 Main Street, ) Houston, Texas 77000.) ) )	.2629812 P.P.I.
December, Inc. (owner of production payment)	1800 United Founders ) Tower, Oklahoma City, ) Oklahoma 73100. )	
Texas City Refining, Inc.	P. O. Box 1271, Texas City, Texas 77590.	.4883938 W.I.

U. S. Oil and Gas Lease N.M.-010907-A, insofar as same  
covers W $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 34, Township 18 South,  
Range 29 East, N.M.P.M., Eddy County, New Mexico.

Record Owner: Olen F. Featherstone,  
239 Petroleum Building,  
Roswell, New Mexico 88201.

Current Interest Owners:

<u>Owner</u>	<u>Address</u>	<u>Interest</u>
United States of America	U.S.G.S., Drawer 1857, Roswell, N. M. 88201.	.1250000 R.I.

NEIL B. WATSON  
FRED A. WATSON

LAW OFFICES  
WATSON & WATSON  
CARPER BUILDING - P. O. DRAWER E  
ARTESIA, NEW MEXICO

TELEPHONE  
SHERWOOD 6-4151

July 30, 1968.

CERTIFIED MAIL,  
RETURN RECEIPT REQUESTED.

Hon. A. L. Porter, Jr.,  
Secretary-Director,  
New Mexico Oil Conservation Commission,  
State Land Office Building,  
Santa Fe, New Mexico 87501.

*OLS - '66*  
*John A. Anderson*

Dear Mr. Porter:

Re: Application of Quasar, Incorporated, to transport production prior to measurement from U. S. Oil and Gas Lease N.M.-015068, E $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 34, and U. S. Oil and Gas Lease N.M.-010907-A, W $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 34, to U. S. Oil and Gas Lease L.C.-062029 (Consolidated), NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 34 for storage thereon; all being in Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

I herewith enclose, in triplicate, the Application of Quasar, Incorporated pursuant to Rule 309-C for off-lease storage of production.

I also enclose triplicate xerox copies of a letter dated April 8, 1968, by Mr. John A. Anderson, Regional Oil and Gas Supervisor, United States Geological Survey, Roswell, New Mexico, indicating approval of this off-lease storage. I believe that your office has already received a copy of this letter from Mr. Anderson.

The Application is for off-lease storage and is not for commingling. I am of the opinion that the Application is complete in all respects, and it certifies that all parties interested in the leases have been notified by certified mail. However, should anything further be needed in order for you to act upon the enclosed Application, please advise me.

Thanking you in advance for your consideration, I remain,

Very truly yours,

*Fred A. Watson*  
Fred A. Watson.

FAW:drm

Enclosures.

cc. Quasar, Incorporated.

cc. New Mexico Oil Conservation Commission,  
Artesia, New Mexico.

EXHIBIT "B"  
Page No. 2.

Featherstone Farms, Ltd.	239 Petroleum Bldg., Roswell, N. M. 88201.	.1093750 O.R.I.
Joe L. Stanton	800 Navarro, San Antonio, Texas 78205.	.0133594 O.R.I.
James Noel	515 Rusk, Room 9136, Houston, Texas 77061.	.0008906 O.R.I.
First City National Bank of Houston (mortgagee of production payment)	1001 Main Street, ) Houston, Texas 77000.) )	.2629812 P.P.I.
December, Inc. (owner of production payment)	1800 United Founders ) Tower, Oklahoma City,) ) Oklahoma 73100. )	
Texas City Refining, Inc.	P. O. Box 1271, Texas City, Texas 77590.	.4883938 W.I.

U. S. Oil and Gas Lease L.C.-062029 (Consolidated),  
insofar as same covers NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 34,  
Township 18 South, Range 29 East, N.M.P.M.,  
Eddy County, New Mexico.

Record Owner: Bassett-Birney Oil Corporation,  
c/o Martin Yates, III,  
207 South 4th Street,  
Artesia, New Mexico 88210;

and

Cities Service Oil Company,  
Cities Service Building,  
Bartlesville, Oklahoma 74004.

Current Interest Owners:

<u>Owner</u>	<u>Address</u>	<u>Interest</u>
United States of America	U.S.G.S., Drawer 1857, Roswell, N. M. 88201.	.1250000 R.I.*

(\* Minimum under sliding scale.)

E. H. Ward, Executor and Testamentary Trustee under the Last Will and Testament of Julia Brainard, deceased	101 South 4th Street, Artesia, N. M. 88210.	.0100000 O.R.I.
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# ILLEGIBLE

P. O. Drawer 1057  
Roswell, New Mexico 88201

April 9, 1968

Quasar, Incorporated  
Post Office Box 1069  
Austwell, Texas 79336

Conclusion:

Your letter of March 12, 1968, requests approval of off-lease storage for Queen production from lease New Mexico 01997 involving the 1/4th sec. 34, and lease New Mexico 01998 involving the 1/4th sec. 34. The tank batteries for these leases are to be located at the battery site of lease Lee Graces 02229 located in the 1/4th sec. 34, all in T. 18 N., R. 29 E., 4th 1/4, Eddy County, New Mexico. The production from each of the three leases is to be handled in separate gathering, separating, and storage facilities.

The off-lease storage of the leases described above is hereby approved. You are reminded that this approval does not in any way authorize commingling of oil or gas production from these leases. The individual tank batteries should be properly marked and identified with a sign thereby reflecting the lease from which the production originated.

NOTED  
APR 8  
KNAUT

You are requested to notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico 88210, when the installation is completed and operative so that it can be inspected.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:  
MEMCO, Santa Fe  
Roswell  
Accounts (3)  
Artesia (3) ✓

NOTED  
APR 9 - 1968  
REEKMAN

NOTED  
APR 10 1968  
SAUNDERSON

RECEIVED  
APR - 9 1968  
U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

**ILLEGIBLE**

F. O. Lower 1057  
Roswell, New Mexico 88201

April 8, 1968

Quaker, Incorporated  
Post Office Box 1007  
Roswell, Texas 79386

Continued:

Your letter of March 12, 1968, requests approval of off-lease storage for Quaker production from lease New Mexico 81597 involving the ELMCO sec. 34, and lease New Mexico 81598 involving the ELMCO sec. 34. The unit batteries for these leases are to be located at the battery site of Lease Las Cruces 82245 located in the ELMCO sec. 34, all in T. 16 S., R. 22 E., S.M.P.M., Eddy County, New Mexico. The production from each of the three leases is to be handled in separate gathering, separating, and storage facilities.

The off-lease storage of the leases described above is hereby approved. You are reminded that this approval does not in any way authorize untagging of oil or gas production from these leases. The individual tank batteries should be properly marked and identified with a sign thereby reflecting the lease from which the production originated.

You are requested to notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico 88210, when the installation is completed and operative so that it can be inspected.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

NOTED  
APR 8  
KNAUT

cc:  
M2000, Santa Fe  
Roswell  
Accounts (3)  
Artesia (3) ✓

NOTED  
APR 9 - 1968  
FEEKMAN

NOTED  
APR 10 1968  
SAUNDERSON

RECEIVED  
APR - 9 1968  
U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

# ILLEGIBLE

P. O. Drawer 1057  
Roswell, New Mexico 88201

April 8, 1968

Quaker, Incorporated  
Post Office Box 1360  
Irvington, Texas 79936

Continued:

Your letter of March 12, 1968, requests approval of off-lease storage for Queen production from lease New Mexico 91997 involving the W&M sec. 34, and lease New Mexico 91998 involving the W&M sec. 34. The tank batteries for these leases are to be located at the battery site of Large Las Cruces 92229 located in the W&M sec. 34, all in T. 18 S., R. 29 E., S.M.P.M., Eddy County, New Mexico. The production from each of the three leases is to be handled in separate gathering, separating, and storage facilities.

The off-lease storage of the leases described above is hereby approved. You are reminded that this approval does not in any way authorize commingling of oil or gas production from these leases. The individual tank batteries should be properly marked and identified with a sign thereby reflecting the lease from which the production originated.

NOTED  
APR 8  
KINVAULT

You are requested to notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico 88210, when the installation is completed and operative so that it can be inspected.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:  
120000, Santa Fe  
Roswell  
Accounts (3)  
Artesia (3) ✓

NOTED  
APR 9 - 1968  
REEKMAN

NOTED  
APR 10 1968  
SAUNDERSON

RECEIVED  
APR - 8 1968  
U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO