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GILBERT, WHITE AND GILBERT

ATTORNEYS AND COUNSELORS AT LAW BISHOP BUILDING

MAIN OFFICE acc

CARL H. GILBERT L. C. WHITE WILLIAM W. GILBERT SUMNER S. KOCH EDWIN E. PIPER, JR. SANTA FE, NEW MEXICO

1538 FEB 19 AM 8:31

February 7, 1958

New Mexico Oil Conservation Commission Capitol Building Santa Fe, New Mexico

Attention Mr. Pete Porter

Gentlemen:

Enclosed herewith please find Application of Warren-Bradshaw Exploration Company for exception to OCC Rule 309.

Very truly yours,

GILBERT, WHITE & GILBERT

LCW:s

By Devail.

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BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN RE MATTER OF THE APPLICATION OF WARREN-BRADSHAW EXPLORATION COMPANY FOR AN ORDER AUTHORIZING THE PRODUC-TION AND STORAGE OF OIL INTO COMMON TANKAGE OF ALL OIL PRODUCED FROM MORE THAN EIGHT WELLS LOCATED UPON TWO BASIC STATE LEASES COMPRISING THE Wanwa; Waswa SEaswa, of Section 21, Township 17 South, Range 33 East, and the NE of Section 29, Township 17 South, Range 33 East, AND GRANTING AN EXCEPTION TO OCC RULE 309.

APPLICATION

TO THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO:

Comes now Warren-Bradshaw Exploration Company and makes application for an order granting an exception to Oil Conservation Commission Rule 309, permitting Applicant to store oil in common tankage produced from more than eight wells on two separate leases, and in support of said Application states:

1. That the Applicant is the owner and operator of Warren-Bradshaw State "D" Lease No. B-2148, comprising the W2NW1; W2SW1; and the SELSW1 of Section 21, Township 17 South, Range 33 East, Lea County, New Mexico, wherein the Applicant is the operator of five wells producing from the Grayburg Formation.

Applicant is also the owner and operator of the Warren-Bradshaw State "E" Lease No. B-2229, which lease comprises the NE of Section 29, Township 17 South, Range 33 East, Lea County, New Mexico, on which there is one well being drilled situate in the NEINER of the subject lease, designated as Warren-Bradshaw State "E" Well No. 1.

That the completed wells upon State "D" Lease and those contemplated to be developed upon the STATe "E" Lease are to be produced from the Grayburg Formation, and upon the completion of the proposed development, the Applicant will have more than eight producing wells.

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- 2. That the aforementioned five wells located on the State "D" Lease are presently being produced into a tank battery located on said lease, and Applicant seeks permission to measure and store the contemplated production from the State "E" No. 1 well, and that from any subsequent wells on said lease in the common tank battery located on the State "D" Lease.
- 3. That said development and exploration will be undertaken and accomplished by the Applicant herein.
- 4. That the royalty interests are common as to the two leases, as are the working interests, and the names and addresses of the off-set operators are as follows:

Western Oil Fields, Inc. 1827 Grant St. P.O.Box 1139 Denver, Colorado Mr. R.M. Barnholt, Sr.-President

Shell Oil Company P.O. Box 1957 Hobbs, New Mexico Mr. W.E.Owen-Division Prod.Supt.

Zapata Petroleum Corporation 901 W. Missouri, P.O.Box 2216 Midland, Texas Mr. J.H.Liedtke-President

Eugene Talbert 497 Petroleum Building Tyler, Texas Mr. Eugene Talbert

Phillips Petroleum Company 3rd Floor Permian Building Midland, Texas Mr. M.R. Hayes-Division Supt.

Suppes & Suppes Midstates Building Tulsa, Oklahoma Mr. C. E. Suppes

- 5. That because of the common interest in and the ownership of the wells upon the two basic leases, and the economic savings that/be obtained from such common tankage, an order granting an exception to OCC Rule 309 would be proper in the premises; that Applicant is ready, able and willing to provide and install such equipment as the Commission may require to adequately determine the production from each well at reasonable times and intervals.
- 6. That attached hereto and made a part hereof is a Plat showing the well locations and a diagram of the present and proposed tank battery connections.

WHEREFORE, Applicant prays that this matter be set down for hearing

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before this Commission, or one of its Examiners; that due notice thereof be given in accordance with law, and that the subject Order issue upon such terms and conditions as may be just and reasonable in the premises.

WARREN-BRADSHAW EXPLORATION CO.

By GILBERT, WHITE & GILBERT

One of its

P. O. Box 787 Santa Fe, New Mexico