OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE NEW MEXICO 87501

RECEIVED

October 21, 1975

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D. C. C.

Yates Petroleum Corporation Yates Building 207 S. 4th Street Artesia, New Mexico 88210 Attention: Mr. Eddie Mahfood

Administrative Order OLS-96

Gentlemen:

Reference is made to your application dated October 15, 1975, for administrative approval for the off-lease storage of Eagle Creek-San Andres production from your Yates Fee DT Lease and your <u>Smith Fee EB Lease</u>, both located in the NW/4 of Section 13, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico. It is our understanding that these leases are located in or near to populated areas and that you propose to transport the production of each lease, prior to measurement, to its own tank battery to be located on your Achen Fry DM Lease in Unit I of Section 14 of the same townsnip.

Off-lease storage for each of the subject leases is hereby authorized as described above, provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to any of the three concerned leases.

Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/DSN/dr

cc: Oil Conservation Commission - Artesia Oil & Gas Engineering Committee - Hobbs