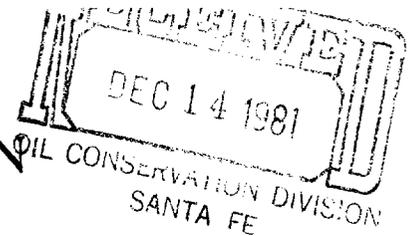


J. M. HUBER CORPORATION

OIL AND GAS DIVISION
1900 WILCO BUILDING
MIDLAND, TEXAS 79701



MIDLAND DISTRICT OFFICE

December 9, 1981

TELEPHONE
915-682-3794

State of New Mexico
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

RE: Request for permission of
Off-Lease Storage New Mexico
Oil and Gas Lease No. L-6690

Dear Mr. Ramey:

J. M. Huber Corporation respectfully requests the Secretary-Director of the New Mexico Oil Conservation Commission to grant administrative permission for off-lease storage for New Mexico Oil and Gas Lease No. L-6690 (Cabot State "Q" Lease). The proposed storage facility will be located on the New Mexico State Oil and Gas Lease No. LG-2682-3 (James O'Neill State Lease). Both leases are located in Section 7, Township 15 South, Range 35 East, Lea County, New Mexico (See attached Plat A).

The proposed off-lease storage facility will prevent commingling of production and will include equipment for separate treating, storage, transportation and metering of each individual lease production (See attached Plat B).

Please find attached a copy of the letter from the State Commissioner of Public Lands. J. M. Huber Corporation, as 100% working interest owner for both subject leases, will operate the proposed installation in accordance with the Rules and Regulations of the New Mexico Oil Conservation Commission. Your consideration of this request is greatly appreciated.

Very truly yours,

Robert G. Setzler
District Production Manager

RGS:clb

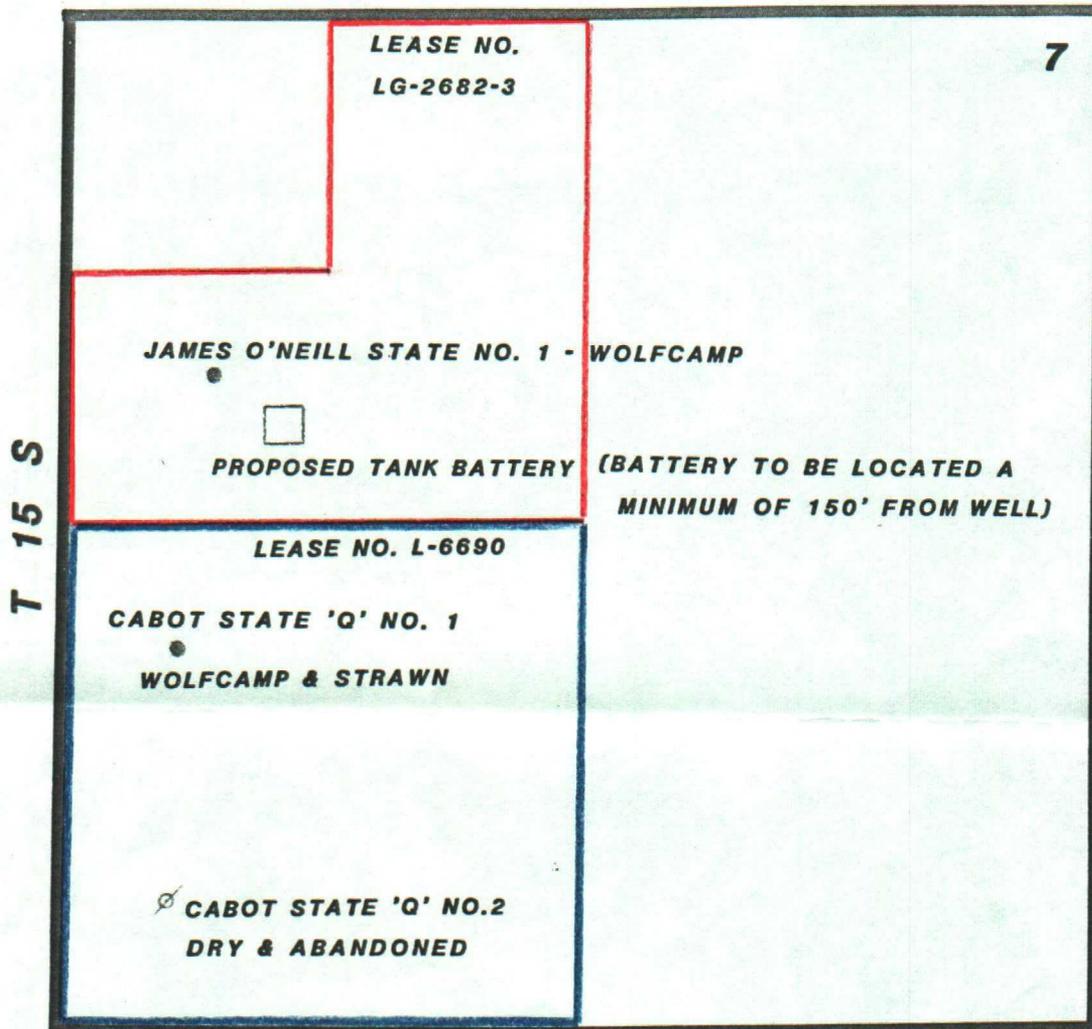
Attached

PLAT A

DEC 14 1981
OIL CONSERVATION DIVISION
SANTA FE COUNTY, N.M.

Lease plat with wells and tank battery

R 35 E

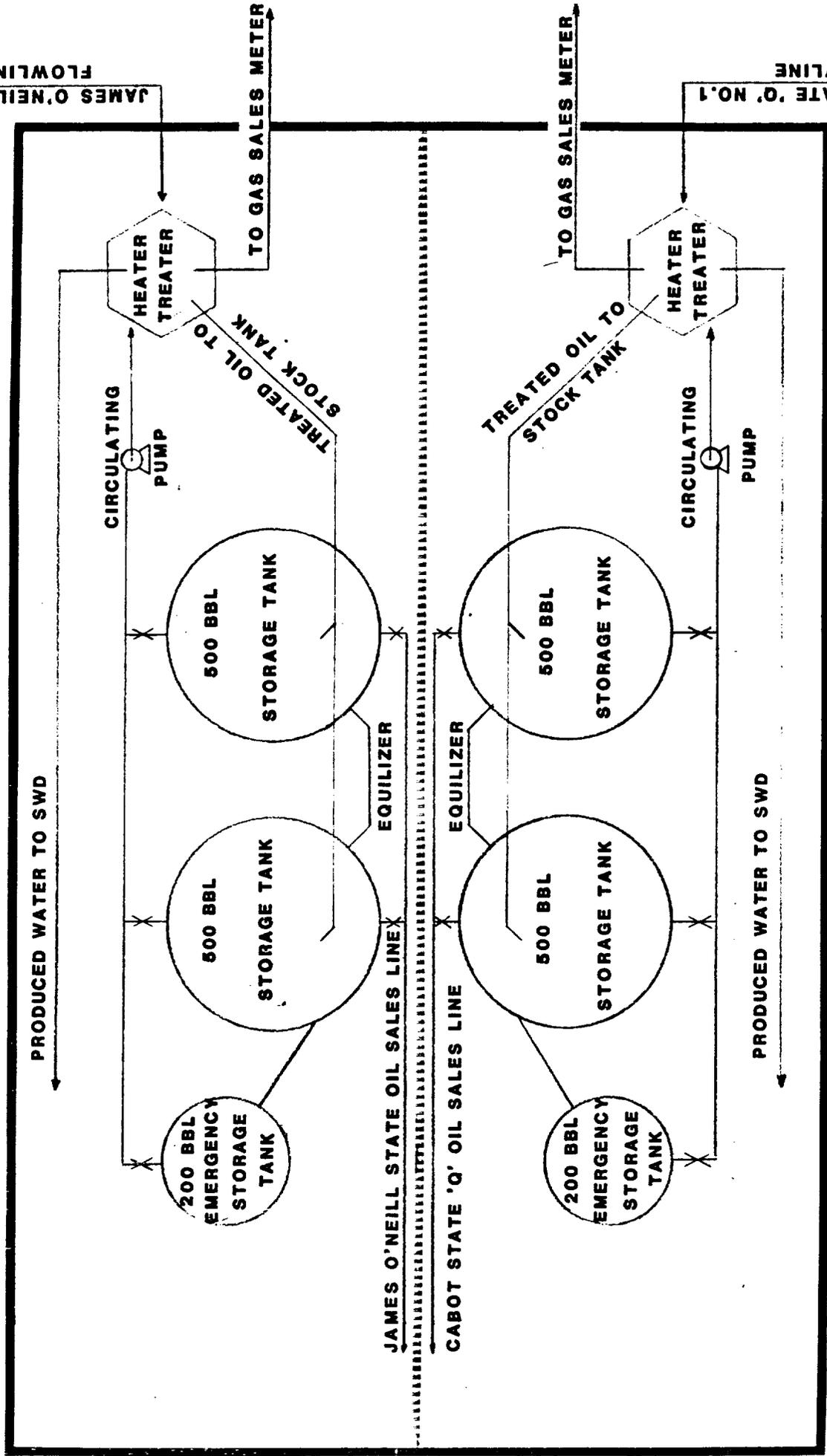


SCALE: 1" = 1000'

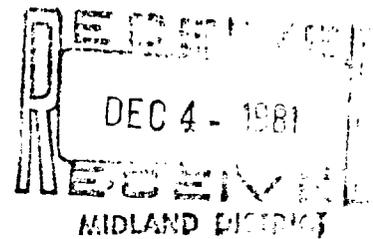
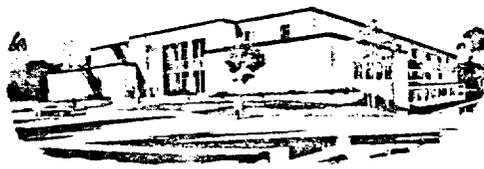
PLAT B-Schematic Diagram of Proposed Battery

North Half of Battery is for James O'Neill State Lease Lease LG-2682-3

South Half of Battery is for Cabot State 'Q' Lease Lease L-6690



State of New Mexico



ALEX J. ARMIJO
COMMISSIONER

Commissioner of Public Lands

December 2, 1981

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

J. M. Huber Corporation
1900 Wilco Building
Midland, Texas 79701

Re: Off Lease Storage
State Lease No. 6690-1
Section 7T15S-R35E
Lea County, New Mexico

ATTENTION: Mr. Robert G. Setzler

Gentlemen:

Reference is made to your request of November 3, 1981, whereby, you request approval regarding off-lease storage from the Cabot "O" State Well No. 1 in Lease No. L-6690-1 to the proposed storage facility located on State of New Mexico Oil and Gas Lease No. LG-2682-3 (James O'Neil Well No. 1), SW/4NW/4 Section 7, Township 15 South, Range 35 East.

You are hereby given approval to the above request, this being subject to like approval by the New Mexico Oil Conservation Division.

Approval is given with the understanding that the proposed off-lease storage facility will prevent commingling of production and will include equipment for separate treating, storage, transportation and metering of the individual lease production.

Enclosed is one approved copy for your files. Please remit a Ten (\$10.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director,
Oil and Gas Division
AC 505/827-2748

AJA/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
OGAC, St. Leases L-6690 and LG-2682