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January 15,1991

Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Attention: Mr. William J. Lemay

Director

RE: REQUEST FOR OFF LEASE STORAGE

Malaga Harroun 6 Com 1 Sec. 6, T24S, R29E Eddy County, New Mexico

Texaco Producing Inc. requests that adminsitrative approval be granted for off lease storage of the oil produced from the referenced lease. There is one well completed in the Malaga Atoka pool on this fee lease.

The Pecos River must be crossed to get to this lease. The bridge crossing the river is not rated high enough for oil transports to cross the bridge (although it is common for oilfield traffic to use the bridge). We have not been able to get an oil transporter to haul the oil due to the bridge's rating. Numerous attempts to find a "back way" into the lease or a way from a higher rated bridge have been unsuccessful. Efforts to get the bridge rating increased have also been unsuccessful.

Rowland Trucking has indicated that they can haul the oil but they are not registered oil transporters with the State of New Mexico. We propose to let Rowland haul the oil from the lease to a tank which will be set up in their yard in Carlsbad. Texaco Trading & Transportation Inc. will then pick the oil up there.

Texaco owns a 73.444468% working interest in the lease with Quinoco and Amoco owning the remaining portions. Letters of notification have been sent to these companies. Attached for your information are the

following:

- 1) Road Map showing lease and bridge locations.
- 2) Lease Map.

Sincerely,

Monte C. Duncan

Engineer's Assistant

MCD/s

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