

# OIL CONSERVATION COMMISSION

207 CARPER BUILDING

ARTESIA, NEW MEXICO

April 11, 1960

Humble Oil and Refining Company  
P. O. Box 2347  
Hobbs, New Mexico

Gentlemen:

Reference is made to your request dated April 4, 1960, for approval to measure the Empire-Abo production from Gulf Oil Corporation's Chalk Bluff Draw Unit Well No. 6 through a BS&B two-phase metering separator on the lease, thence transport the oil through a line to separate tankage located at Humble's existing tank battery on an offsetting lease.

It is our understanding that approval of this proposal will enable you to save \$0.38 per barrel trucking charges pending the time the well is put into a participating area or until a hearing can be held and approval granted for commingling of the Gulf lease production with other Empire-Abo production from the Chalk Bluff Draw Unit.

While it is not possible to grant administrative approval of this proposal under the Rules of the Commission, it is felt that this situation is one which warrants exception under the provisions of Rule 1303.

You are therefore hereby authorized to measure and store the Empire-Abo production from Gulf's Chalk Bluff Draw Unit Well No. 6 in the manner outlined in your letter of April 4, 1960, for a period not to exceed 45 days from the date of first production from this well.

You are further authorized to pass this production through a conventional separator rather than a metering separator provided that the storage tank into which the production is passed has no physical connection with the storage facilities being utilized for production from other leases in the Chalk Bluff Draw Unit.

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To date we have not received forms C-104 (Request for Allowable) and C-110 (Certificate of Compliance and Authorization to Transport Oil and Natural Gas). Please submit these forms to this office as soon as possible.

Very truly yours,

OIL CONSERVATION COMMISSION

M. L. Armstrong  
Supervisor, District No. 2

MLA/bh

cc: Gulf Oil Corporation  
Box 2167  
Hobbs, New Mexico

Oil Conservation Commission  
Santa Fe, New Mexico