P.O. Box 19234 8707 Katy Freeway Houston, Texas 77024 Telephone (713) 461-2662 Cable: BELPETEX

Belco Petroleum Corporation



September 22, 1975

RECEIVED

SEP 24 1975

O. C. C.

Mr. W. A. Gressett, Supervisor District II New Mexico Oil Conservation Commission Drawer DD Artesia, New Mexico 88210

Dear Mr. Gressett:

As previously reported to you by telephone, emergency conditions arose during the completion testing of Martin Com #2, Eddy County, New Mexico, which necessitated the movement of test production to temporary off-lease storage.

Heavy rains had prevented installation of permanent tankage and the well was being tested to frac tanks. Personnel were on location round-theclock and detected a leak developing high on one of the tanks. The well was switched to a second tank which shortly thereafter gave indications of potential leakage.

In order to obtain vital uninterrupted test data and to prevent damage from oil spillage, field personnel made arrangements to haul from the test tanks to an isolated 500 barrel tank (not part of the tank battery) located near the Union Mead #1. In-company records were prepared to reflect the movement of 426 barrels oil to this storage tank.

Testing was permitted to continue and weather conditions permitted installation of the permanent tank battery which is now in use.

As discussed with you, we will have the transporter (Miller Oil Purchasing Company) pick up the oil temporarily stored off-lease and prepare run tickets reflecting its origin and ownership.

We appreciated very much your understanding and cooperation in this situation and your expediting an allowable upon receipt of the required forms. If additional information is needed please call me collect at 713-461-2662 (Houston).

Yours very truly,

P.B. Koonce Division Production Superintendent