HUMBLE OIL & REFINING COMPANY R. R. MCCARTY WESTERN DIVISION DIV. SUPERINTENDENT L. H. BYRD ASST. DIV. SUPERINTENDENT H. L. HENSLEY MIDLAND, TEXAS ASST. DIV. SUPERINTENDENT H. E. MEADOWS SST. DIV. SUPERINTENDENT December 10, 1958 J. W. GRAYBEAL DIV. PETROLEUM ENGINEER R. A. ESTES DIV. CIVIL ENGINEER Application for Exception to Statewide Rule 309(a) Bisti Oil Unit No. 1 Bisti Lower Gallup Field San Juan County, New Mexico

> New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Humble Oil & Refining Company respectfully requests Administrative approval for an Exception to Statewide Rule 309(a) granting permission to receive and measure oil at a location off the base lease.

The Bisti Oil Unit Lease consists of 80.97 acres being the N/2 of the NE/4 of Section 2, T-24-N, R-10-W, San Juan County, New Mexico. Please refer to the attached plats showing the location of our proposed battery to serve the Bisti Oil Unit in the same fence as an existing battery on Humble's New Mexico State "AZ" Lease. This proposed off lease storage is requested to allow us a greater flexibility in operating and maintaining one tank battery rather than two batteries. If a separate battery is erected on the Bisti Oil Unit Lease it will require 1800 feet of gathering line to enable a pipe line company to transport the oil from the lease. In addition it will require another 1800 feet of line in order to sell the produced casinghead gas. We anticipate a very low GOR for this well and in all probability the gas gatherer cannot justify a connection.

The construction of this off lease tank battery will result in a considerable savings to Humble, to the oil transporter, and the gas transporter and, we feel, would prevent waste of gas if the lease could not be connected.

Your early consideration of this matter would be appreciated.

Very truly yours,

R MCCARTY

JEP: bw

Enc.

