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SANTA FE, NEW MEXICO  
April 9, 1948.

OIL CONSERVATION COMMISSION  
SANTA FE, N.M.  
APR 11 1948  
TELEPHONE 77996-2807

*Graham*

Mr. Richard R. Spurrier  
Oil Conservation Commission  
408 Galisteo Street  
Santa Fe, New Mexico

Dear Mr. Spurrier:

Inclosed herewith is application of Petrolite Corporation,  
Ltd., which we will appreciate your having filed with  
the Oil Conservation Commission.

Very truly yours,

BIGBEE AND KOOL

*Harry L. Bigbee*

*W.D.*

*Please set this down for hearing  
as soon as possible.*

HLB/h  
Incl-1  
cc: Walter Curran  
c/o Petrolite Corp., Ltd.  
Midland, Texas

1 OIL CONSERVATION COMMISSION OF NEW MEXICO

2 IN RE: CONSERVATION AND PREVENTION )  
3 OF WASTE OF CRUDE PETROLEUM )  
4 AND NATURAL GAS IN THE STATE )  
5 OF NEW MEXICO )

6 COMES NOW Petrolite Corporation, Ltd., a corporation organized  
7 under the laws of the State of Delaware, duly authorized to do busi-  
8 ness in the State of New Mexico, and respectfully shows the Commis-  
9 sion:

10 1. That the applicant is engaged in the business of tank  
11 cleaning and wax manufacturing in the State of Texas, and proposes  
12 to conduct said business on obtaining a proper permit in the State  
13 of New Mexico; that in the cleaning of tanks and burn pits there  
14 is considerable marketable oil and petroleum by-products useful in  
15 the manufacturing of wax that can be recovered from the tanks and  
16 burn pits by treating; that of the quantity of emulsion recovered  
17 from tank bottoms and burn pits that the merchantable oil salvag-  
18 able ranges from five to thirty percent of the total quantity.

19 2. That under the existing rules and regulations of the Com-  
20 mission, there is no provision made for the procuring of tenders  
21 authorizing the transportation of this recoverable oil.

22 3. That the Oil Conservation Commission of New Mexico was  
23 created for the express purpose of preventing waste production and  
24 marketing of oil and gas in the State of New Mexico.

25 4. That the matter brought to the attention of the Commission  
26 by this application is a matter of general concern to all oil and  
27 gas producing areas in the State of New Mexico, and the regulation  
28 and control of the salvage oil should be covered by a General Or-  
29 der that would be applicable to all areas within the State of New  
30 Mexico.

31 5. That at the present time in the majority of the oil fields  
32 of New Mexico this salvagable oil is being destroyed by burning or  
dumping upon lease roads and lease properties.

1           6. That in order to process and save the salvagable oil from  
2 tank bottoms and waste oils within the state, it is necessary that  
3 treating plants be constructed for the reason that the small amount  
4 of emulsion recoverable from any particular tank battery or lease  
5 property is not sufficient to warrant its processing separately.  
6 The processor will be required to process in amounts of five hun-  
7 dred barrels or more in order to economically process the oil.  
8 This in itself will cause a co-mingling of tank bottoms and waste  
9 oil from numerous leases. The amount recoverable from any parti-  
10 cular lease will be unascertainable.

11           7. The Commission should enter an Order which would regulate  
12 the tank cleaner and well servicer, the transporter of tank bottoms  
13 and waste oil as well as the processor of tank bottoms and waste  
14 oil so as to preclude the running of hot oil by alleged processors  
15 and unscrupulous producers.

16           WHEREFORE, applicant prays that this Commission set a date for  
17 a hearing on this application and upon a hearing thereon, enter its  
18 general order authorizing the applicant to engage in the business  
19 of tank cleaning, plants processing, tank bottoms and reclaiming  
20 of waste oil and the transportation of tank bottoms and waste oil  
21 under such regulations as the Commission deems meet and just.

22           Respectfully submitted.

23                           BIGBEE AND KOOL

24                           By Harry L. Bigbee  
25                                   Attorneys for Petrolite  
26                                   Corporation, Ltd.  
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