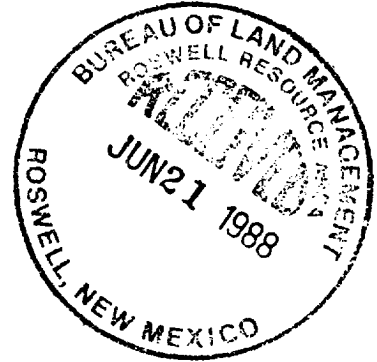




N. M. OIL & GAS COMMISSION
P. O. BOX 1000
HOBBS, NEW MEXICO 88240
ARTESIA, NEW MEXICO 88210



June 21, 1988

Roswell Resource Area
P.O. Drawer 1857
Roswell, NM 88201

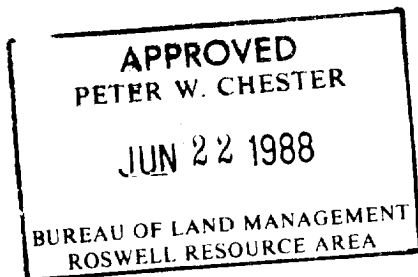
RE: Gallina Federal Battery
NM-36486 Unit Letter M
660 FSL 620 FWL
Sec. 31 T7S R32E
Roosevelt County, NM

Gentlemen,

MorOilCo, Inc., is requesting approval to dispose of produced water from the above referenced battery. The produced water is now being stored in a 280 barrel fiberglass tank. Transfer of disposal water is via 2" poly pipe to the Cone #8 located in Section 31 T7S R32E operated by Murphy Operating.

MorOilCo, Inc., would like to request approval to have a covered emergency pit measuring 4' x 4' x 10' located behind the tank battery on the same location.

Thank you for your cooperation.



Sincerely,

Frank S. Morgan
Frank S. Morgan

FSM/ja