

February 7, 1984

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FEB 81904

BUREAU OF LAND MANAGEMENT FARMINGTON PROCESSE AREA

Bureau of Land Management Caller Service 4104 Farmington, New Mexico 87499

Attention: Mr. Mat Millenbach

Dear Mr. Millenbach:

Noarko Resources, Inc. (formerly Aztec Energy Corporation) is requesting a one-year extension on a previously approved venting of casinghead gas for its Jicarilla "O" #4 Well. The well is located in the NW/4 of Section 10, Township 22 North, Range 3 West, Sandoval County, New Mexico.

During a scheduled GOR test performed December 6, 1983, the well made 2.37 MCF of gas (copies of chart and report attached). This was after the well had been circulating a paraffin retarding chemical for 6 hours. At present, the well produces enough gas to supply the needs of the seperator and the pumpjack engine.

Noarko Resources, Inc. believes it would cost approximately \$34,000 to lay a 2-3/8" surface line from the well to the nearest gas line. To pay for the line, the well would have to produce 13,600 MCF. At the current rate of 2 MCF per day, it would take 18.6 years to pay for the line. does not include possible repairs and other expenses incurred by the operation of such a line.

Although Noarko Resources, Inc. is requesting a one year extension for venting, the Company would appreciate the consideration of an open ended extension in view of the facts presented in this letter.

Yours truly,

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FEB 09 1984 NOARKO RESOURCES, INC.

Ronnie W. Allen

Geologist

RWA/mr

Enclosures

NOARKO RESOURCES, INC.

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OIL CON. DIV

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