



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping



3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

October 7, 1985

RECEIVED

OCT 08 1985

**BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA**

Mr. Matt Millenbach
Area Manager
Bureau of Land Management
Caller Service 4104
Farmington, New Mexico 87499

RE: Noarko Resources, Inc.
LULU No. 3
660'FSL, 2090'FWL
Section 29-T23N-R6W
Sandoval County, New Mexico
NM-28741
3162.7-3(016)

Dear Mr. Millenbach:

This is a request on behalf of the above-referred-to Operator for approval to vent casinghead gas from the above-referred-to well.

Attached you will find the information prepared to make an economic cost analysis of constructing a gas gathering line to gather the casinghead gas. The analysis indicates that the cost to lay a gathering system cannot be justified by estimated gas sales.

It is requested that approval to vent the gas be set forth.

Thank you for your consideration in this matter.

Very truly yours,

This Approval Expires 10/15/86

Venting limited to 30 MCFGPD

Ewell N. Walsh, P.E.
President

**APPROVED
AS AMENDED**

ENW:blk
Enc.

cc: Noarko Resources, Inc., Denver, Colorado
Joe Lindsley, Farmington, New Mexico

NMOC

OCT 15 1985

**MATT MILLENBACH
AREA MANAGER**