



Amoco Production Company

Petroleum Center Building
501 Airport Drive
Farmington, New Mexico 87401
505-325-8841

W. J. Holcomb
District Manager

September 12, 1984

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

File: TKA-288-400.1

Gentlemen:

Keys Gas Com E No. 1
NW/4, Section 27, T32N, R10W
San Juan County, New Mexico
No Flare Exception

Amoco Production Company requests an exception to the no flare rule to permit a seven day flow test to atmosphere on the subject well. The well is a stripper well and is marginally profitable to produce at present conditions. The seven day flow test is required to determine the well's productivity against reduced back pressure and evaluate the economic feasibility of a compressor installation.

The subject well is a low pressure Mt. Nebo Fruitland well tied into El Paso Natural Gas Company's gathering system. Low flowing and shut-in pressures coupled with higher sales line pressures render this well marginally economical to produce. Current line pressures in the area are 300-320 psi, while the well's SICP is approximately 350 psi. To economically produce the remaining reserves, we must install a compressor. However, we do not know the well's productivity against reduced back pressure. The requested seven day flow test will provide the stabilized flow rates required to economically evaluate the feasibility of the compressor installation.

Please contact Dave Schott at our Farmington District Office if you have any questions regarding this matter (325-8841, Ext. 249). Your prompt handling of this exception will be appreciated.

Yours very truly,

W. J. Holcomb

DWS/ct

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