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August 2, 1956
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Subject: Application for Exception to Order N-553-
No Flare Order for
Gulf State #41.

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

John M. Kelly respectfully requests that the Oil Conservation Commission grant an exception to Order N-553, No Flare Order, as it pertains to John M. Kelly's Gulf State #41, Section 16, T-19-S, R-37-E, and in support thereof, states the following facts:

The Gulf State #41 is located 1850 feet from the south and 660 feet from the east lines of Section 16, T-19-S, R-37-E, Lea County, New Mexico, and was completed on May 15, 1956, as an oil well in the vertical limits of the Dumont Pool. The well produces at a rate of 40 barrels of oil per day and 61 MCF per day or a gas oil ratio of 1520 cubic feet per barrel.

Attached hereto is a plat indicating well location, offset ownership, location of tank battery, and nearest gas sales line. The nearest gas connection is on the John M. Kelly State #41 Lease approximately 2500 feet distance, a Warren Petroleum Line. We are presently negotiating with Warren for a connection on the Gulf State #41. This lease will be connected as soon as Warren is satisfied to its economics and line construction is completed.

In view of the foregoing, it is requested that the Oil Conservation Commission issue an exception to its Order N-553, for the Gulf State #41. We will inform you by means of a form C-110 when a casing head gas connection is obtained for this well.

Yours very truly,
Kenneth D. McPeters
Kenneth D. McPeters

Before me, the undersigned authority, on this day personally appeared Kenneth D. McPeters, who, after being by me duly sworn, upon his oath states that, to the best of his knowledge, the statements contained in the foregoing application are true and correct.

Kenneth D. McPeters
Kenneth D. McPeters

CONFIDENTIAL
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James A. Hendry

James A. Hendry