

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 9, 1958

Mr. Melvin Neal
Neal & Neal
116 North Turner
Hobbs, New Mexico

Dear Mr. Neal:

On behalf of your client, Neville G. Penrose, Inc., we enclose two copies of Order R-1151 issued April 3, 1958, by the Oil Conservation Commission in Case 1402, which was heard on March 19th at Santa Fe.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

C
O
P
Y

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date March 20, 1958

Flare

CASE 1402

Hearing Date 3/19 Santa Fe: DSN

My recommendations for an order in the above numbered cases are as follows:

Enter an order authorizing Neville G. Penrose, Inc. to flare the casinghead gas produced from its McCallister Well No. 1, located 660 feet from the North line and 660 feet from the West line of Section 7, Township 22 South, Range 38 East, ~~for a period not to exceed 90 days~~ from the date of the order. Applicant offered testimony to the effect that Skelly Oil Company is re-evaluating the possibility of connecting this well to its low pressure casing system, also that Warren Petroleum Company is making tests on the gas and will evaluate the possibility of a connection. Applicant stated that Neville G. Penrose, Inc., would be agreeable to the issuance of a temporary order. This well at the present time is flaring approximately 16 MCF per day, however, the oil production is declining at a faster rate than the gas production is declining with the result that the GOR is steadily increasing, ^U unless a temporary order is issued by the Commission. In this case, it may be possible that the well would eventually become a gas well with a no-flare order authorizing the flaring of gas from it.


Staff Member
Hunter