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MEMBERS OFFICE OCC

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Ow 10/4/56

September 17, 1956

60 days
10/4/56
thru
12/3/56

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

By form letter dated August 7, 1956, The Texas Company was notified by Mr. R. F. Montgomery that in order to comply with Order R-553, it must obtain a connection for sale of casinghead gas or secure a no-flare order from the Commission for its Saunders-Federal Well No. 1, located in Section 4, T-198, R-37E, Rumont Pool, Lea County, New Mexico. This action must be taken not later than October 2, 1956.

The Saunders-Federal Lease contains 85.21 acres and is comprised of the N/2 of the NE/4 of Section 4, T-198, R-37E, Lea County, New Mexico. The attached plat was prepared to show the location of Well No. 1, offset ownership, and the location of the tank battery. The Texas Company has negotiated a contract with Phillips Petroleum Company to take the 38.9 MCF of casinghead gas per day now being flared by Well No. 1, a top allowable well which produces with a gas-oil ratio of 926 cubic feet per barrel. However, due to difficulties being experienced by the gatherer in installing its gathering system, it is doubtful that work can be completed in less than six months from October 2, 1956. Therefore, a temporary no-flare order for a period of at least six months, commencing October 2, 1956, is respectfully requested for the Saunders-Federal Lease, Well No. 1.

Yours very truly,

THE TEXAS COMPANY
Producing Department



H. N. Wade
Petroleum Engineer

HNW-JKB

Att.

NOV 19 1956

RECEIVED IN 3:15

September 17, 1956

[Handwritten notes and stamps, partially illegible]

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

By your letter dated August 7, 1956, The Texas Company was notified by Mr. R. P. Montgomery that in order to comply with Order R-253, it must obtain a connection for sale of casinghead gas or secure a no-flare order from the Commission for the Saunders-Federal Well No. 1, located in Section # T-198, R-37E, Eumont Pool, Lea County, New Mexico. This action must be taken not later than October 2, 1956.

The Saunders-Federal Lease contains 85.21 acres and is comprised of the N/2 of the NW/4 of Section # T-198, R-37E, Lea County, New Mexico. The attached plat was prepared to show the location of Well No. 1, oil and gas ownership, and the location of the tank battery. The Texas Company has negotiated a contract with Phillips Petroleum Company to take the 38.9 acre tract with Phillips Petroleum Company to take the 38.9 acre tract with casinghead gas per day now being flared by Well No. 1, a top allowable well which produces with a gas-oil ratio of 926 cubic feet per barrel. However, due to difficulties being experienced by the partner in installing its gathering system, it is doubtful that work can be completed in less than six months from October 2, 1956. Therefore, a temporary no-flare order for a period of at least six months, commencing October 2, 1956, is respectfully requested for the Saunders-Federal Lease, Well No. 1.

Yours very truly,

THE TEXAS COMPANY
Producing Department

[Signature]
H. M. Wade
Petroleum Engineer

RHW-JEB

ACT

[Handwritten notes on left margin]

STATE OF TEXAS }
COUNTY OF TARRANT }

Before me, the undersigned authority, on this day personally appeared H. N. Wade, known to me to be the person whose name is subscribed to this instrument, who after being by me duly sworn on oath, states that he has knowledge of all the facts stated above and that the same is a true and correct statement of the facts therein.



H. N. Wade

Subscribed and sworn to before me on this the 17th day of September, 1956.

My Commission expires
June 1, 1957



Notary Public in and for
Tarrant County, Texas

{ STATE OF TEXAS
COUNTY OF TARRANT }

Before me, the undersigned authority, on this day personally appeared H. M. Wade, known to me to be the person whose name is subscribed to this instrument, who after being by me duly sworn on oath, states that he has knowledge of all the facts stated above and that the same is a true and correct statement of the facts therein.



H. M. Wade

Subscribed and sworn to before me on this the 17th day of September, 1956.



Notary Public in and for
Tarrant County, Texas

My Commission expires
June 1, 1957