

Entered July 7, 1958
A.H.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1402
Order No. R-1151-A

APPLICATION OF NEVILLE G. PENROSE, INC.,
FOR AN ORDER AUTHORIZING THE FLARING OF
GAS FROM AN OIL WELL IN THE TUBB GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause originally came on for hearing at 9 o'clock a.m. on March 19, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations and that said case was reopened for further hearing on July 2, 1958.

NOW, on this 3rd day of July, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That applicant is the owner and operator of an oil well in the Tubb Gas Pool known as the 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, NMPM, Lea County, New Mexico and that the applicant has been unable to obtain a casinghead gas connection for said well to date.

(3) That applicant offered testimony to the effect that Skelly Oil Company and Warren Petroleum Company, the only operators of low-pressure casinghead gas gathering facilities in the area, have re-evaluated the possibility of connecting the above-described well to their gathering systems, but that each of said companies have found it would not be economically feasible to connect said well until such time as more casinghead gas is available in the area.

(4) That the above-described well is presently flaring approximately 11 MCF per day.

(5) That the applicant seeks permission to continue flaring the gas from the above-described well for a limited period of time.

(6) That an order authorizing the flaring of gas from said well in an amount not to exceed 50 MCF per day should be issued; provided however, that the applicant should exercise diligent effort to obtain a casinghead gas connection for said well.

(7) That the applicant should conduct quarterly gas-oil ratio tests of said well.

IT IS THEREFORE ORDERED:

1. That applicant, Neville G. Penrose, Inc., be and the same is hereby authorized to flare gas 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, NMPM, Tubb Gas Pool, Lea County, New Mexico, in an amount not to exceed 50 MCF per day until such time as a low pressure casinghead gas connection is available.

2. That the applicant shall exercise diligent effort to obtain a casinghead gas connection for said well.

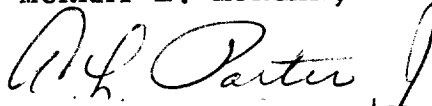
3. That the applicant shall conduct quarterly gas-oil ratio tests of said well, reporting the results of said tests to the District Office of the Oil Conservation Commission in Hobbs, New Mexico. Said gas-oil ratio tests shall be scheduled so that one of such tests will coincide with the annual gas-liquid ratio test period for the Tubb Gas Pool.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary

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