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Bureau of Land Management Caller Service 4104 Farmington, New Mexico 87499 REGERVES APROJES

APR 02 Per Suppose April 1, 1985

Re: Joseph B. Gould Phillips 32 # 7 OIL COMMAN. ()
\ DIST. ()

Gentlemen:

Mr. Joseph B. Gould is requesting an approval for one-year venting of casinghead gas from his Phillips 32 # 7 Well. The well is located in the ME/4 of the SE/4 of Setion 32, T25N, R3W, Pio Arriba County, New Mexico. The well was completed and ready for production on March 26, 1985. During a 24-hour production test taken on March 30, 1985, the well produced 100 barrels of oil and 30 MCF of gas, and 400 BLW. The gas-oil ratio was 300 cu.ft. gas/1 BO.

The approval for venting is requested under conditions set forth by Part 644, Chapter 5, Item 3F of the Department of the Interior, Geological Survey, Conservation Division manual which states "...temporary flaring of gas production not exceeding one year may be allowed while evaluating reserves, awaiting pipeline construction, negotiating sales contracts..., provided total monthly per well gas flared does not exceed 10 MMcf".

This request for venting is necessitated by Mr. Joseph B. Gould's present difficulty in getting a gas pipeline installed. Northwest Pipeline Corporation will purchase the gas from the well, but the contract has not been amended and the weather conditions have prevented any construction operations. Although Mr. Gould is requesting permission to vent for a year, Mr. Gould is very confident that a pipeline connection will be made by October 1985.

As an action plan, Mr. Gould will continue to negotiate with Northwest Pipeline Corporation for the pipeline installation at the earliest possible moment, weather permitting. When the contract is amended and the weather permits the well will be tied into existing pipeline facilities in the area and venting will cease.

Respectfully,

R. D. Simmons

Agent for Joseph B. Gould

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