

El Paso Natural Gas Company

El Paso, Texas

December 21, 1959

Mr. A. L. Porter, Jr., Secretary & Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Takes by El Paso Natural Gas Company
of additional volumes of casinghead gas
from the Bisti-Gallup and Gallegos-Gallup
Pools, San Juan County, New Mexico

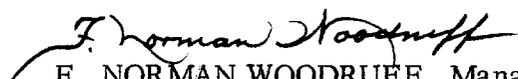
Dear Mr. Porter:

This letter is to confirm my telephone conversation with you last Thursday, December 17, 1959. I advised you that we had received information upon our return to El Paso which had not been available to us at the time we made our statement to the Commission at the December 16th Hearing in which we stated our expectation of completing the Bisti facilities prior to January 1. We were advised that certain compressor and cooling system components were not shipped as scheduled. The result of this failure to ship as scheduled will cause us to be unable to handle additional volumes of Bisti gas until approximately the 15th of January, 1960.

As shipments are received, construction will be immediately commenced and facilities will be placed into operation as construction is completed. Under such procedure, it is possible that some portion of the gas to be handled by the facilities can be taken prior to the January 15th date. We will increase our takes of gas upon the completion of any portion of these facilities which will enable us to do so, and, will advise you immediately of the lease name and battery location from which such increased takes will be obtained.

The conditions discussed above will not affect our completion of facilities to handle Gallegos-Gallup Pool gas. We still expect takes from that pool to commence ten days to two weeks after the first of the year, as you were advised in our statement at the December 16th Hearing.

Yours very truly,


F. NORMAN WOODRUFF, Manager
Gas Proration Operations

FNW:mgs

FRANK O. ELLIOTT

BOX 703

ROSWELL, NEW MEXICO

December 21, 1959

PHONE MAIN 2-5840
RES. MAIN 2-5363

State of New Mexico
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: A. L. Porter

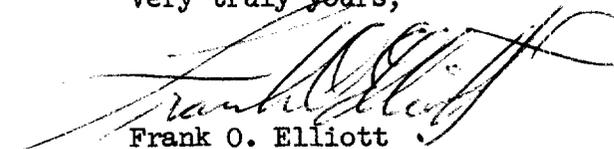
Re: Commission Order No. R-1427

Gentlemen:

In regard to our compliance with the above referenced Order, please be advised that we have entered into a Contract, dated December 8, 1959, with El Paso Natural Company for the purchase of the casinghead gas produced from our Bisti lease, being the W $\frac{1}{2}$ Sec. 33, SW $\frac{1}{4}$ Sec. 28, Twp. 25N., Rge. 10W., and in addition have filed an Application for Certificate of Public Convenience and Necessity, along with our Notice of Intention to Invoke Section 157.28 of the "Regulations under the Natural Gas Act", which is the emergency provision.

Based on the assumption that El Paso Natural's Gathering System will be in operation on January 1 and that the Federal Power Commission timely grants the temporary Certificate, we will be in position to cease the flaring of casinghead gas on or before January 1, 1960, in compliance with the above referenced Commission Order.

Very truly yours,



Frank O. Elliott

FOE:nc

CC: Emery C. Arnold



SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT

December 22, 1959

Re: Jicarilla "B" Lease
Otero-Gallup Oil Pool
Rio Arriba County, New Mexico

AIR - MAIL

Mr. A. I. Porter, Jr.
Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Sir:

Order No. R-1237 promulgated August 13, 1958 as amended by Order No. R-1237-A, promulgated October 19, 1959, provides that no casinghead gas should be flared or vented from any well from this field after August 31, 1958, with certain exceptions.

Our field office have called this date to advise that on or about November 29, the compressor for the lines utilizing the casinghead gas went out and was down and it was thought that the overhauling would be a relatively short period of time and is to be reinstalled on December 23. This compressor was to serve the Jicarilla "B" Lease from a productive standpoint. The lease could not be shut-in because they sand up considerably. Consequently they were allowed to be continued to be produced. Unfortunately I was out of pocket and our field office was unable to contact me and therefore no one in our organization contacted your office.

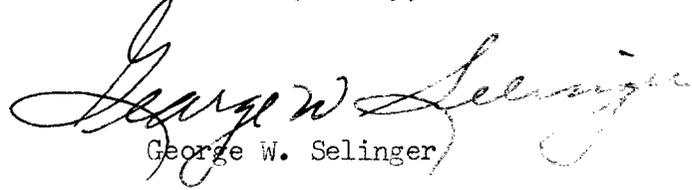
Since certain exceptions are permitted to the flare and although none covering this particular instance, we feel that the circumstances justified our action in the matter and since this is an operational function which we had no particular control and faced with the possibility of committing waste both underground and economic that our advising you would be sufficient to explain our action during the interim period.

On our Jicarilla "B" Lease we have 19 wells of which only 2 wells produce a top allowable and since the majority are sub-marginal wells,

Page 2
Mr. A. L. Porter, Jr.
December 22, 1959

we feel is an additional factor to be considered in the matter. We trust that this full explanation is sufficient for your favorable consideration.

Yours very truly,


George W. Selinger

GWS/gl

cc: Mr. P. E. Cospers

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 30, 1959

MEMORANDUM

TO: All Operators of oil wells in the Escrito-Gallup Oil Pool, San Juan County, New Mexico

FROM: A. L. Porter, Jr., Secretary - Director

SUBJECT: Gas-oil ratio tests in the Escrito-Gallup Oil Pool

This is to advise that through inadvertance, the Escrito-Gallup Oil Pool, San Juan County, New Mexico, was omitted from the 1959 Gas-Oil Ratio Test Schedule as was published by Commission Memorandum No. 1-59, dated January 19, 1959.

The test schedule is hereby amended to include the Escrito-Gallup Oil Pool. The gas-oil ratio limit for the pool is 2,000 cubic feet of gas per barrel of oil produced. The 1959 test period for the pool shall be March and April, and all test results will be due May 10, 1959.

The provisions of Memo No. 1-59 relating to bottom-hole pressure tests shall also apply to the Escrito-Gallup Oil Pool.

DSN:bp

THIS MEMO WAS SENT TO:

Eastern Petr. Co., 1st Natl. Bank Bldg.
Pan American, Box 487, Farmington
Southern Union, Box 757, Farmington
Standard Oil, Box 1581, Farmington
OCC, Artes