## OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE. NEW MEXICO

December 30, 1959

Mr. Charles C. Spann Box 1031 Albuquerque, New Mexico

Re: Phillips Petroleum Company

Wells in Bisti-Lower Gallup

Oil Pool

Dear Mr. Spann:

Reference is made to your request for administrative approval of an exception to the no-flare provision of Order No. R-1427 for 5 wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

After studying your application, the Commission has determined that administrative approval cannot be granted. Accordingly, the case has been set for hearing before the Commission on January 13, 1960. It would be helpful if your witness in this case is prepared to testify concerning the present casinghead gas production from these wells and the disposition thereof.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/OEP/ir

## O L CONSERVATION COMMISSION 1. OLEON 871 SANEN FE, NEW MEXICO

**生きない (1) (2)** 

మున్న నిర్మాత్తున్నాయి. 2202 ఇంత్ ఆ ఆ గ్రామం స్థామ్మలలు మృకాత్వం

THE STATE OF THE S

. 18 1

Reference is the form of an area of the control of

efter studying compact of the control of the contro

in the state of t

11/12/1907

## GRANTHAM, SPANN AND SANCHEZ ATTORNEYS AT LAW

904 SIMMS BUILDING
POST OFFICE BOX 1031
ALBUQUERQUE, NEW MEXICO

EVERETT M. GRANTHAM CHARLES C. SPANN MAURICE SANCHEZ FRED M. STANDLEY

December 29, 1959

TELEPHONE
CHAPEL 3-3525

A. L. Porter, Secretary-Director Oil Conservation Commission Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to Order No. R-1427 entered in case No. 1569 on June 25, 1959.

For and in behalf of Phillips Petroleum Company we hereby request the Secretary-Director to grant an exception to said Order insofar as it applies to five wells located in Sec. 36, T. 26N, R. 13 W., N.M.P.M., and which are operated by Phillips. These Wells are in the so-called Phillips-Hospah Unit in the Bisti-Lower Gallup Oil Pool.

This request for an exception is reasonably necessary to prevent waste and to prevent undue hardship on the applicant. El Paso Natural Gas Company advises that it is unable to handle the volumes of gas produced from these Wells until approximately January 15, 1960. The failure of El Paso to handle the gas results from their inability to obtain certain equipment and facilities necessary to complete the installation of the gathering system to the Unit.

In support of the allegations herein contained we refer specifically to the statement of El Paso Natural Gas Company to the Oil Conservation Commission at the December 16, 1959, hearing, and to letter dated December 21, 1959, from F. Norman Woodruff, Manager, Gas-Proration Operations, El Paso Natural Gas Company, to A. L. Porter, Oil Conservation Commission, Santa Fe, New Mexico.

We request that the exception be made effective to the date of completion of the gathering system by El Paso and their acceptance of gas produced from these Wells. If the Secretary-Director declines to grant approval of the exception herein requested then we would ask that the matter be set down for hearing before the Commission in accordance with the Rules applicable thereto.

Rul

December 29, 1959

A. L. Porter, Secretary-Director Oil Conservation Commission

In the alternative to the request for exception herein contained, Phillips applies for an Emergency Order of the Commission amending Finding No. 7 of Order R-1427 so as to make the order prohibiting flaring or venting of gas in the Bisti-Lower Gallup Oil Pool effective on January 15, 1960, rather than December 31, 1959. This request for emergency Order is made pursuant to Rule 1202 of the Commission's Rules, and in support thereof the applicant re-states and re-alleges the facts and circumstances which were alleged in support of its request for an exception hereinbefore contained.

Respectfully,

GRANTHAM, SPANN AND SANCHEZ

CCS:RW

By: