

**Amoco Production Company** 

Post Office Box 68 Hobbs, New Mexico 88240

S. J. Okerson District Superintendent

October 24, 1980

File: SJO-1309-WF

Re: Exception to Rule 306 Brantley B Well No. 1 Eddy County, NM

The State of New Mexico Energy and Minerals Department Oil Conservation Division P.O. Drawer DD Artesia, NM 88210 Attn: Mr. Gressett

Gentlemen:

Amoco Production Company requests an exception to the No-Flare Rule 306 on our Brantley B Well No. 1, located 1980' FSL and 1980' FEL, Section 24, T-23-S, R-28-E, Eddy County, New Mexico. Prior to being shut-in on September 7, 1980 the well was flowing approximately 17 bbl oil, 8 bbl water and 169 mcf per day at 75 psi flowing tubing pressure.

There is no low pressure gas collection line in the area. El Paso Natural Gas Company operates a high pressure sales line that is approximately one half mile from the subject well. The minimum operating pressure of El Paso's line is approximately 500 psi. Our analysis of the performance of the subject well indicates that it would not be economically viable to install a compressor to boost the well pressure to a point where we could tie into the El Paso line. A three stage gas driven compressor would be required plus the installation of the line. This would have an estimated purchase and installation cost of \$125,000. With an initial gas sales volume of between 140-150 mcfd, at approximately 1.75 per mcf net to Amoco, it would require some 15 months to pay out.