



CONTINENTAL OIL COMPANY

P. O. Box 1621
Durango, Colorado
December 22, 1966

El Paso Natural Gas Company(2)
P. O. Box 998
Farmington, New Mexico

Gentlemen:

Continental Oil Company proposes to install 1-1/4 inch integral joint tubing inside of the present 2 3/8 inch tubing and plunger lift the Gallup with Dakota gas. The proposed system will be installed in Northeast Haynes Well No. 6, Unit B, Section 15, T24N, R5W, Rio Arriba County, New Mexico.

Attached is a sketch of the proposed installation. Continental will install the Dakota gas injection meter and meter run. We will furnish you the Dakota volume of gas injected early each month for filing of your C-111 to the New Mexico Oil Conservation Commission. The Dakota in Northeast Haynes Well No. 6 is non-marginal and should produce about 100 MMCF annually. The daily injection volume should be 75 to 100 MCF. The volume we will furnish you each month should permit proper allocation and production for the Dakota.

We have discussed the proposed installed installation with the New Mexico Oil Conservation Commission and the United States Geological Survey. They both concurred with the installation, but a copy of this letter and sketch is being sent to them for approval of the installation. Annual packer leakage, deliverability and gas-oil ratio tests can be conducted in accordance with New Mexico Rules and Regulations. It is our intent to install the equipment early in January; therefore, please advise if you have any questions.

Very truly yours,

William K. Dietrich
Assistant District Manager
Durango District
Production Department

FVM/sf

cc: N.M.O.C.C., Altec, New Mexico (2)
U.S.G.S., Roswell, New Mexico (2)

Att.

NORTHEAST HAYNES NO. 6
UNIT "D", SECTION 15, T24N, R5W

