

W. J. Holcomb District Manager

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Amoco Production Company

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OIL CON. DIV.

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BUREAU OF LAND MANAGEMENT

U. S. Department of the Interior Bureau of Land Management Caller Service 4104 Farmington, NM 87499

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Jicarilla Apache A 118 Nos. 2,3,5,6,7 Section 25 & 35, T26N, R3W San Juan County, New Mexico No Flare Exception

R-0

Amoco Production Company requests an exception to the no flare rule to permit individual seven day flow tests to atmosphere on five Jicarilla Apache A 118 Lease wells. These wells are marginally profitable to produce at current sales line pressures. The seven day flow tests are required to determine each well's productivity against reduced back pressure and evaluate the economic feasibility of a compressor installation.

The subject wells are low pressure Gavilan Pictured Cliffs wells connected to El Paso Natural Gas Company's gathering system. Low flowing and shut-in pressures combined with high sales line pressures make the lease marginally economic to produce. Current production rates are summarized below:

Jicarilla	Apache	Α	118	No.	2	5	MCFD
Jicarilla						46	MCFD
Jicarilla						20	MCFD
Jicarilla						44	MCFD
Jicarilla						20	MCFD

To economically produce the remaining reserves, we must install a compressor. The requested seven day flow tests will provide the stabilized flow rates against reduced back pressure required to economically evaluate the feasibility of the compressor installation.

Please contact Mike Barnes at our Farmington District Office if you have any questions (325-8841), Ext. 268). Your prompt handling of this matter will be greatly appreciated.

Sincerely,

N. G. Holcomb

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