

# Hicks Oil & Gas, Inc.

P. O. DRAWER 3307  
FARMINGTON, NM 87499  
505-327-4902

**RECEIVED**

OCT 15 1985

October 11th, 1985

**BUREAU OF LAND MANAGEMENT  
FARMINGTON RESOURCE AREA**

Bureau of Land Management  
Caller Service 4104  
Farmington, New Mexico 87499

RE: Western International Petroleum ✓  
Western Federal #2 ✓  
NM 58917 ✓  
Unit J, Sec. 11, T30N, R16W ✓  
San Juan County, New Mexico

Dear Sirs,

Per NTL-4A we are requesting permission to vent the small amount of casing head gas which the above referenced well is producing. ✓

160:1

Gas-Oil ratio tests were conducted on the well during the week of August 19th 1985 and the test showed 3 mcf of gas being vented per day. This test was conducted without a fire in the heater-treater. For winter time operation all of this vented gas will be utilized to treat the oil.

The closest pipeline is 1½ miles away and would require two stage compression to get the gas into the high pressure line. ✓ To operate a compressor would require utilizing approximately 2 mcf of gas per day to fuel the compressor engine. This would only leave 1 mcf of gas per day for sales. ✓ Estimated monthly income from gas sales of 30 mcf per month would be \$120. before royalty and taxes. It is estimated that the monthly operating expense for a small compressor would be \$375/month. ✓

It is clear that the project could not be justified from an economic standpoint. ✓ If approval to vent the gas is not given and the gas must be gathered and sold, this will be an additional operating expense on the well. This will lead to the well being abandoned at an earlier time and reduce the recoverable oil reserves. ✓

This Approval ~~is Temporary~~  
~~Abandonment~~ Expires October 17, 1986

MH/mmo

Sincerely,

*Mike Hicks*  
Mike Hicks

**APPROVED  
AS AMENDED**

OCT 22 1985

OIL CON. DIV.  
DIST. 3

OCT 17 1985

*John Skellum*  
J. MILLENBACH  
AREA MANAGER

TMocD