Due 3-10-59

OCC
Hobbs, N. M.

NFO-438

for La Munyon Lease

BURK ROYALTY COMPANY
800 Oil & Gas Bldg.
Wichita Falls, Texas

February 19, 1959

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application for Exception to
NFO No. R-553 for
BURK ROYALTY COMPANY
La Munyon Federal Lease
Sec. 21 T23S R37E Lea County, N.M.

Gentlemen:

Burk Royalty Company respectfully requests that the Oil Conservation Commission grant an exception to No-Flare Order No. R-553 as it pertains to their La Munyon Federal lease located in Section 21, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, for the following reason:

A contract has been negotiated with Permian Basin Pipe Line Co. to take the gas from this lease, however, connection has been delayed by inability to obtain clearance from the Federal Power Commission.

There are four wells on this lease, which is comprised of the SW/4 of the SW/4, the S/2 of the NW/4 and the NE/4 of the NW/4 of Section 21. Only one well is presently completed, the No. 1 well. This well was tested on December 16th, 1958 for a test of 1286 MCF and 12 barrels of oil per day, with a resulting Gas Oil Ratio of 107,116:1.

A plat showing all wells, location of the tank battery and offset ownership is attached. The closest gas connection is one location north of the No. 1 well.

In view of the fact that a gas connection will be made on this lease as soon as release is obtained from the Federal Power Commission, and in order to keep this well on production and protect correlative rights, we are requesting that the Oil Conservation Commission issue an exception to its No-Flare Order No. R-553 for this lease for a period of from 60 to 90 days; or until such time as release is obtained and connection is made.

Yours very truly,

Jon Bear

Jon Bear, Engineer
BURK ROYALTY COMPANY

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cc: OCC, Hobbs, N. M.