

EL PASO NATURAL GAS COMPANY  
EL PASO, TEXAS

Address Reply To:  
1006 Main St., Room 1901  
Houston 2, Texas

October 20, 1954

Continental Oil Company  
Fair Building  
Fort Worth 2, Texas

Gentlemen:

You have requested information as to whether we could make connection to the batteries described below, all located in Lea County, New Mexico:

<u>Battery</u>	<u>Acreage Description</u>
Eaves A-30-1	NE/4 NE/4 Sec. 30, T26S, R37E
Eaves A-30-2	NE/4 NW/4 Sec. 30, T26S, R37E
Eaves A-30-3	NW/4 NE/4 Sec. 30, T26S, R37E
Eaves B-19-2	NE/4 NW/4 Sec. 19, T26S, R37E
Eaves B-30-1	SW/4 NE/4 Sec. 30, T26S, R37E
Eaves B-30-2	NW/4 SE/4 Sec. 30, T26S, R37E
Eaves B-31-1	NW/4 NE/4 Sec. 31, T26S, R37E
Farney A-5-3	NE/4 NE/4 Sec. 5, T23S, R36E
Farney A-5-4	NW/4 NE/4 Sec. 5, T23S, R36E
Farney A-5-5	SW/4 NE/4 Sec. 5, T23S, R36E
Lynn A-28-5	NE/4 NE/4 Sec. 28, T23S, R36E
McAllister A-24-2	NW/4 NE/4 Sec. 24, T26S, R36E
McAllister A-24-3	SE/4 SE/4 Sec. 24, T26S, R36E
Moyer B-22-2	SE/4 SW/4 Sec. 22, T22S, R36E
Moyer B-22-3	NW/4 SW/4 Sec. 22, T22S, R36E
Moyer B-33-2	NW/4 SE/4 Sec. 33, T22S, R36E
Sholes B-13-2	NW/4 NW/4 Sec. 13, T25S, R36E
State A-32-1	NE/4 NW/4 Sec. 32, T22S, R36E
State A-32-4	SE/4 NW/4 Sec. 32, T22S, R36E
State A-32-5	NW/4 SE/4 Sec. 32, T22S, R36E
State A-32-6	SW/4 SE/4 Sec. 32, T22S, R36E
Wells A-11-1	SE/4 NE/4 Sec. 11, T25S, R36E
Wells A-12-3	NW/4 NW/4 Sec. 12, T25S, R36E

We wish to advise that we have made a study to determine the feasibility of purchasing this gas and to determine the cost of connection. The study indicates that due to the low GPM content, sourness of the gas, small volumes available, and the investment in pipe and other equipment necessary to connect the batteries, that it is not economically feasible to construct the necessary facilities.

We appreciate your offer to sell this gas and should the situation change, we will be glad to again give it consideration.

Very truly yours,  
/s/ C. W. Rathwick  
C. W. Rathwick

CWR:d

cc: Continental Oil Company  
Hobbs, New Mexico  
Attn: Mr. W. A. Rickman

I, W. A. Rickman, do certify that the foregoing is a true copy of the original letter on file in this office.



Subscribed and sworn to before me this 22nd day of November 1954.

  
Notary Public

My Commission Expires 5-17-57.

CONTINENTAL OIL COMPANY

Hobbs, New Mexico  
November 22, 1954

New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Gentlemen:

Continental Oil Company hereby respectfully requests exemption by administrative order to the recent "No Flare" Order No. R-520 for the following wells:

<u>Hardy Pool</u>	<u>Unit</u> <u>Sec.</u> <u>Twp.</u> <u>Range</u>
Hawk A-5 No. 1	R - 5-21-37
Hawk B-6 No. 1	R - 6-21-37
Meyer B-31 No. 1	L - 31-20-38
<u>Langlie-Mattix Pool</u>	
Vaughan B-1 No. 3	A - 1-24-36
<u>Monument Pool</u>	
State A-7 No. 1	I - 7-19-37

These wells were overlooked in the original survey of wells in the designated pools flaring casinghead gas.

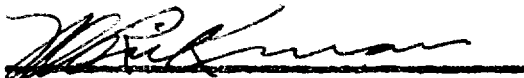
Yours truly,



N. A. RICKMAN  
Dist. Supt., New Mexico District  
West Texas-New Mexico Division  
Production Department

CERTIFICATION

I, N. A. Rickman, hereby certify that the attached information and data sheets, exhibits 1 through 4, which set forth reasons for no connection, are true and correct to the best of my belief and knowledge. These are presented herewith to augment Continental Oil Company's application, herein presented, with regard to the "No Flare" Order No. R-520, so that the Oil Conservation Commission may approve this application administratively.



Subscribed and sworn to before me, a Notary Public, on this 22nd day of November 1954.

  
Notary Public

My Commission Expires 5-17-57.

CONTINENTAL OIL COMPANY  
INDIVIDUAL WELL DATA

Lease, Well, Location and Pool: Hawk A-5 #1 , 5-21-37  
Hardy Pool

MCF Per Day Produced: 47.5 MCF

MCF Per Day Sold: None

MCF Per Day Used on Lease: None

MCF Per Day Vented: 47.5

Daily Oil Production: 31

Gas-Oil Ratio: 1,533

Logical Markets: Continental Carbon Company & Skelly Oil Company

Distance to Nearest Tie-Ins: Approximately one mile

Cost of Tie-In: \$5,500

Reason for venting or no tie-in:

No contract - considering new contract with Continental Carbon Company

CONTINENTAL OIL COMPANY  
INDIVIDUAL WELL DATA

Lease, Well, Location and Pool: Hawk B-6 No. 1, Section 6-21-37,  
Hardy Pool

MCF Per Day Produced: 55.6

MCF Per Day Sold: None

MCF Per Day Used on Lease: None

MCF Per Day Vented: 55.6

Daily Oil Production: 5.5

Gas-Oil Ratio: 10,072

Logical Markets: Skelly Oil Company & Continental Carbon Company

Distance to Nearest Tie-In: Approximately one mile

Cost of Tie-In: \$5,500

Reason for venting or no tie-in: No contract - Considering new contract with  
Continental Carbon Company

This information was taken from the latest GOR test.

CONTINENTAL OIL COMPANY  
INDIVIDUAL WELL DATA

Lease, Well, Location and Pool: Meyer E-31 No. 1 , 31-20-38

MCF Per Day Produced: 146 MCF

MCF Per Day Sold: None

MCF Per Day Used on Lease: None

MCF Per Day Vented: 146 MCF

Daily Oil Production: 12 BOPD

Gas-Oil Ratio: 12,165

Logical Markets: Continental Carbon Company

Distance to Nearest Tie-ins: Already tied-in.

Reason for venting or no tie-in:

Gas is already contracted and connected, but at present, the gathering system pressure is too high to collect this gas. Engineering work is presently underway to cause a lower gathering system pressure (10 psig). When this work is accomplished, the gas will no longer be vented.

CONTINENTAL OIL COMPANY  
INDIVIDUAL WELL DATA

Lease, Well, Location and Pool: Vaughan E-1 No. 3, 1-24-36,  
Langlie-Mattix Pool

MCF Per Day Produced: 853

MCF Per Day Sold: 0

MCF Per Day Used on Lease: 0

MCF Per Day Vented: 853

Daily Oil Production: 15

Gas-Oil Ratio: 5,667

Logical Markets: El Paso Natural Gas Company

Distance to Nearest Tie-In: 1,200 feet

Cost of Tie-In: \$2,000

Reason for venting or no tie-in:

No contract - collecting performance data.

CONTINENTAL OIL COMPANY  
INDIVIDUAL WELL DATA

Lease, Well, Location and Pool: State A-7 No. 1, I-7-19-37, Monument

MCF per Day Produced: 31

MCF Per Day Sold: 0

MCF Per Day Used on Lease: 0

MCF Per Day Vented: 31

Daily Oil Production: 6

Gas-Oil Ratio: 5.167

Logical Markets: Warren Petroleum Corp.

Distance to Nearest Tie-Ins: 4,700 Feet

Cost of Tie-Ins: \$6,000

Reason for venting or no tie-in:

Low volume does not economically justify a connection.

SKELLY OIL COMPANY  
EUNICE, NEW MEXICO

EXHIBIT #4

October 14, 1954

Mr. N. A. Rickman  
Continental Oil Company  
Box 427  
Hobbs, New Mexico

Dear Sir:

As per your request by telephone, we have considered the possibility of tying into our gathering system the gas from your Hawk A-5 Well #1 in Section 5-21-37 and Hawk B-6 Well #1 in Section 6-21-37. As reported, these wells produce a combined volume of approximately 136 mcf/day.

To include this gas into our gathering system would require 10,500'-0" of gathering system and two metering installations. The estimated labor and material cost of this installation would be \$18,000.00. In view of this and the fact that there would also be a continual maintenance cost of pipe line and metering equipment, we could not tie in this gas as we could never receive a pay out on our investment.

Please do not hesitate to call on us if we can be of further service.

Yours very truly,  
/s/ B. R. Nurn  
B. R. Nurn  
District Engineer

cc: J. R. Green  
J. A. Craig

I, N. A. Rickman, do certify that the foregoing is a true copy of the original letter on file in this office.



Subscribed and sworn to before me this 22nd day of November 1954.

  
Notary Public

My Commission Expires 5-17-57.