

HUMBLE OIL & REFINING COMPANY

Hobbs, New Mexico
February 16, 1961

File 2178

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
Box 571
Santa Fe, New Mexico

Dear Mr. Porter:

During the recent Examiners' Hearing of Case No. 2178 (Commingle and LACT for the Navajo "F", "C", and "R" leases, Horseshoe Gallup Pool, San Juan County, New Mexico) you questioned our witness, Mr. Lee Perry, concerning the gas flare indicated on our Exhibit 2.

In January, 1961, we flared approximately 3891 Mcf of gas for the three leases, or about 125 Mcf/day. About 58 Mcf/month was used on the lease. Oil production for January was about 494 B.O.P.D. In December, 1960, gas flared was about 64 Mcf/day, gas used was 20 Mcf/day, and oil produced was about 418 B.P.D. During December gas engines on all pumping units were replaced with electric motors.

Although several parties have in the past shown interest in the availability of gas, we now know of no definite plans to build a gas plant in the Horseshoe Gallup Field, and it is doubtful if a connection could be justified in any case due to the small volume of gas being produced. This matter will continue to receive close observation, and when a connection is available we will certainly take advantage of it.

Our Durango, Colorado, Office will be in charge of our operations in the Four Corners Area in the future. The District Superintendent is Mr. E. M. Bradley and Mr. Jim Flatt, whom you met at the Hearing, is the District Engineer. The Durango District mailing address is Box 3082, Durango, Colorado, if you have any further questions.

Yours truly,

HUMBLE OIL & REFINING COMPANY

R. R. Alworth
R. R. ALWORTH
District Superintendent

LNP/mcb

cc: Mr. R. R. McCarty, Midland, Texas, Attn: Mr. H. E. Meadows
Mr. E. M. Bradley, Durango, Colo., Attn: Mr. Jim Flatt