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UFO-288

Due 9/10/56

August 24, 1956

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

By form letter dated July 3, 1956, The Texas Company was notified by Mr. R. F. Montgomery that in order to comply with Order R-553 it must obtain a connection for sale of casinghead gas or secure a no-flare order from the Commission for its Z. A. McMillan "A" Well No. 2, located in Section 3, T-19-S, R-37-E, Eumont Pool, Lea County, New Mexico. This action must be taken before September 28, 1956.

Also please refer to letter dated July 10, 1956, from Mr. A. L. Porter, Jr. authorizing an extension of NFO-253 until September 20, 1956, covering our Z. A. McMillan "A" Well No. 1 on this lease.

The Z. A. McMillan "A" Lease contains 160 acres and is comprised of the SW/4 of Section 3, T-19-S, R-37-E, Lea County, New Mexico. The attached plat was prepared to show the location of Well No. 2, offset ownership, and the location of the tank battery. The Texas Company has negotiated a contract with Phillips Petroleum Company to take the 62.0 MCF of casinghead gas per day now being produced and flared by well No. 2, a top allowable well, which produces with a gas-oil ratio of 1590 cubic feet per barrel. Well No. 1, which is also a top allowable well, is indicated on the August 1956 proration schedule as having a gas-oil ratio of 305 cubic feet per barrel, or a total of 11.9 MCF per day now being produced and flared. However, due to difficulties being experienced by the gatherer in installing its gathering system, it is doubtful that work can be completed in less than six months from September 28, 1956. Therefore, a temporary no flare order for a period of at least six months, commencing September 28, 1956, is respectfully requested for the Z. A. McMillan "A" Lease, Wells Nos. 1 and 2.

Yours very truly,

H. N. Wade
Petroleum Engineer

HNW-MPT

90 days

9/10/56
H.N.W.
12/9/56

extended NFO-253
to 9/16

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AUG 27 1956
10:10
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August 24, 1956

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

By form letter dated July 2, 1956, The Texas Company was notified by Mr. R. F. Montgomery that in order to comply with Order R-553 it must obtain a connection for sale of casinghead gas or secure a no-flare order from the Commission for its E. A. McMillan "A" Well No. 2, located in Section 3, T-19-S, R-37-E, Huerfano Pool, Las Alamos County, New Mexico. This section must be taken before September 28, 1956.

Also please refer to letter dated July 10, 1956, from Mr. A. L. Porter, Jr. authorizing an extension of WFO-255 until September 28, 1956, covering our E. A. McMillan "A" Well No. 1 on this lease.

The E. A. McMillan "A" lease contains 100 acres and is comprised of the SW 1/4 of Section 3, T-19-S, R-37-E, Las Alamos County, New Mexico. The attached plat was prepared to show the location of Well No. 2, offset ownership, and the location of the tank battery. The Texas Company has negotiated a contract with Phillips Petroleum Company to take the 0.0 MCF of casinghead gas per day now being produced and flared by Well No. 2, a top allowable well, which produces with a gas-oil ratio of 100 cubic feet per barrel. Well No. 1, which is also a top allowable well, is indicated on the August 1956 production schedule as having a gas-oil ratio of 305 cubic feet per barrel, or a total of 11.9 MCF per day now being produced and flared. However, due to difficulties being experienced by the gatherer in installing the gathering system, it is doubtful that work can be completed in less than six months from September 28, 1956. Therefore, a temporary no flare order for a period of at least six months, commencing September 28, 1956, is respectfully requested for the E. A. McMillan "A" lease, Wells Nos. 1 and 2.

Yours very truly,

R. W. Wade
Petroleum Engineer

HW-MPT