

OCC
Hobbs

NFO-284

Due 9/10/56

HOBBS OFFICE
1956 SEP 4 10:10 AM
8:08

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. P. Montgomery that in order to comply with Order R-553 it must obtain a connection for the sale of casinghead gas or secure a no-flare order from the Commission for the Z. A. McMillan "B" Well No. 4. This action must be taken before September 20, 1956.

Also please refer to letter dated July 10, 1956, from Mr. A. L. Porter, Jr. granting NFO-270 until October 9, 1956, covering our Z. A. McMillan "B" Lease Well No. 2 on this lease.

The Z. A. McMillan "B" Lease contains 160 acres and is comprised of the SE/4 of Section 4, T-19-S, R-36-E, Lea County, New Mexico. The attached plat was prepared to show the location of Well No. 4, offset ownership, and the location of the tank battery. The Texas Company has negotiated a contract with Phillips Petroleum Company to take the 59.6 MCF of casinghead gas per day now being produced and flared by Well No. 4, a top allowable well, which produces with a gas-oil ratio of 1529 cubic feet per barrel. Well No. 2, which is also a top allowable well, is indicated on the August 1956 proration schedule as having a gas-oil ratio of 1760 cubic feet per barrel, or a total of 68.6 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 20, 1956. Therefore, a temporary no-flare order for a period of at least six months commencing September 20, 1956, is respectfully requested for the Z. A. McMillan "B" Lease, Well Nos. 2 and 4.

Yours very truly,

extended
NFO-270
to 12/9/56

H. H. Wade
Petroleum Engineer

BKB-NFT

90 days

9/10/56

thru

12/9/56

HOBBBS OFFICE OCC
1955 SEP 10 AM 8:08

August 24, 1955

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, 1955, The Texas Company was notified by Mr. R. V. Montgomery that in order to comply with Order R-523 it must obtain a connection for the sale of casinghead gas or secure a no-flare order from the Commission for its E. A. McMillan "B" Well No. 4. This action must be taken before September 20, 1955.

Also please refer to letter dated July 10, 1955, from Mr. A. L. Porter, Jr. granting WFO-270 until October 3, 1955, covering our E. A. McMillan "B" Lease Well No. 2 on this lease.

The E. A. McMillan "B" Lease contains 100 acres and is comprised of the SW 1/4 of Section 4, T-18-N, R-35-E, Las Alamos County, New Mexico. The attached plat was prepared to show the location of Well No. 4, offset ownership, and the location of the tank battery. The Texas Company has negotiated a contract with Phillips Petroleum Company to take the 50.5 MCF of casinghead gas per day now being produced and flared by Well No. 4. A 50% allowable well, which produces with a gas-oil ratio of 1,000 cubic feet per barrel. Well No. 2, which is also a 50% allowable well, is indicated on the August 1955 production schedule as having a gas-oil ratio of 1,000 cubic feet per barrel, or a total of 65.5 MCF per day now being produced and flared. However, due to difficulties being experienced by the flares in installing its gathering system, it is estimated that work can be completed in less than six months from September 30, 1955. Therefore, a temporary no-flare order for a period of at least six months commencing September 20, 1955, is respectfully requested for the E. A. McMillan "B" Lease, Well Nos. 2 and 4.

Very truly,

E. M. Wade
Petroleum Engineer

100-100