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HOBBS, NEW MEXICO 88240
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Getty Oil Company | P.O. Box 730, Hobbs, New Mexico 88240 Telephone (505) 393-4986

Central Exploration and Production Division

BUR. OF LAND MGMT
ROSWELL DISTRICT

June 20, 1983

United States Department of the Interior
Minerals Management Service
Roswell District Office
P.O. Drawer 1857
Roswell, N.M. 88201

RE: Flaring of Gas - NTL - 4A
Getty Oil Company
Bilbrey 5 Federal, Well No. 1
Section 5, T 229, R 32E
Lea County, New Mexico

NM-14491

Attention: Mr. James A. Gillham

Dear Sir:

Approval for Flaring of Associated Gas is requested on Getty's Bilbrey 5 Federal, Well No. 1, located in unit letter B, Section 5, T 22S, R 32E, Lea County, New Mexico. The subject well was completed on 5-8-83 in the Bone Springs from perfs at 10,062' - 90' and tested 18 BOPD, 4 BWPD and 25 MCFPD on a 20/64" choke at 30# FTP on 5-30-83. Two gas purchasers are in the immediate area although both lines are high pressure, currently at 550 to 600 PSIG.

The cost to hook-up the well to gas sales and install a compressor is estimated at \$ 90,000. This expenditure would take in excess of 3 years to payout and is not economically justifiable at this time. It is requested that approval of gas flaring from this oil well be granted in definately until economics become justified or until a low pressure pipeline is installed in the area. Present oil reserves will not be economical if gas sales are required.

Flaring of Associated gas will be re-evaluated in one year or less if a low pressure gas line becomes available, economics of a proposed gas compressor installation improve, or the producing rates increase.


Dale R. Crockett,
Area Superintendent

8/10
DBW/nm
cc: File

APPROVED

(ORIG. SGD) DAVID R. GLASS

AUG 25 1983

RECEIVED
AUG 26 1983
O.C.D.
HOBBS OFFICE