

REAHO CORPORATION
MERCANTILE BANK BUILDING
DALLAS 1, TEXAS

November 27, 1956

*- ch expiration date
of NFO. If
soon or past time
apply for
extension*

Oil Conservation Commission
PO Box 2045
Hobbs, New Mexico

Attention: Mr. R.F. Montgomery
Proration Manager

Re: Flaring of Casinghead Gas
Sinclair State #1-K, Sec. 24-21-35
Eumont Pool, Lea County, N.M

Gentlemen:

Please refer to your letter of October 2, 1956 with reference to flaring of casinghead gas on the above-captioned well, and requesting that we make a report by December 3, 1956.

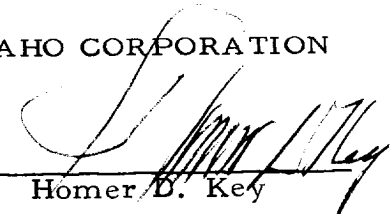
Enclosed is photostat copy of letter dated October 16, 1956 from Phillips Petroleum Company in which they advise they will be in a position to connect to this well at an early date. In a telephone conversation with our field man at Eunice, N.M. on yesterday, he advises that Phillips is now in the process of making this connection and is working on the lease at the present time, laying the lines, etc.

Please let us know if it is necessary to secure a no-flare order inasmuch as it seems that the connection will be made at an early date.

Very truly yours

REAHO CORPORATION

By


Homer D. Key

hkm
Encl.

HOBBS OFFICE OCC
PHILLIPS PETROLEUM COMPANY

1956 NOV 28 AM 9:32
BARTLESVILLE, OKLAHOMA

October 16, 1956

Subject: Eunice Plant

File: 2-Ki-974-56

Reaho Corporation
Box 11276
Fort Worth, Texas

Gentlemen:


We are transmitting herewith casinghead gas contract under the terms and provisions of which we propose to purchase casinghead gas from your acreage in Lea County, New Mexico, described as:

SW/4 of Section 24, Township 21 South, Range 35 East.

{ It is our understanding you have recently completed a well on the above described acreage capable of producing approximately 365 MCFD of casinghead gas and we are in a position to connect this well to our gathering system at an early date. }

If the attached contract is satisfactory please execute all copies with signature acknowledged before a notary public and return for our completion after which we will forward a completed copy for your file. If there are any other working interest owners in addition to Reaho Corporation they should be included as a Seller and also execute the attached contract.

Yours very truly,


L. H. Moore

JPK:pjp
Encs. - 2