

O. DOYLE BUTLER

Consulting Petroleum Engineer

1000 V&J TOWER
MIDLAND, TEXAS 79701

BLACKROCK OIL COMPANY

Property Management

AREA CODE 915
PHONE 683-5691

July 13, 1970

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: The Fundamental Oil Corp.
Gulf-Leonard No. 1
Blinbry Pool
Lea County, New Mexico

Gentlemen:

It is respectfully requested that The Fundamental Oil Corporation be granted an exception to Rule 404 (a) that requires casinghead gas to be connected to a sales outlet.

The subject well produces gas in quantity too low to be commercial and most of the gas is now being utilized for lease operations. If and when gas production should increase to the point to be commercial, we anticipate connecting this well to a plant.

With reference to our investigation, a copy of a letter from a gas consultant is attached which outlines the current condition and any future change in gas production. It is respectfully requested that this exception be granted administrative approval and should any further information be needed, please advise.

Yours very truly,


O. Doyle Butler

ODB:kf

Attachment

cc: NMOC - Hobbs ✓

J. L. DAVIS
GAS CONSULTING - REGISTERED ENGINEER
233 WESTERN UNITED LIFE BUILDING
MIDLAND, TEXAS 79701

A. C. 915
682 - 1552

July 31, 1976

The Fundamental Oil Corporation
1000 A & J Tower
Midland, Texas 79701

Re: Gulf Leonard Lease
Section 24, 21S, 36E
Dona County, New Mexico.

Attention Mr. Doyle Butler

Dear Mr. Butler:

This has reference to your inquiry as to the possibility of securing a casinghead gas contract to divert the gas production from subject lease.

In a telephonic conversation with Mr. Gene Kirsinger, Superintendent of the Dona County Extension Service Gasoline Plant, it was determined that they are attempting to run a 146 test on this lease but there was insufficient gas being produced at the time to test. He advised that they would watch this lease and at such time as there was sufficient gas production to warrant the connection of same to their extension system they would contact you.

Mr. Kirsinger also advised that if the gas production increased whereby they would be able to run a casinghead gas contract direct to your plant.

Very truly yours,

J. L. Davis

JLD:n1

Attachment