

SINCLAIR OIL & GAS COMPANY

RECEIVED SEP 11 1957 PETROLEUM LIFE BUILDING

MIDLAND, TEXAS

FLOYD BRETT
V. P. PRESIDENT & GENERAL MANAGER

September 6, 1957

H. DEFENBAUGH
DIVISION PRODUCTION SUPT.

LOREN WARE
ASSISTANT DIVISION MANAGER

F. C. ROGERS
DIVISION GAS & GAS PRODUCTS SUPT.

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

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

Re: Sinclair Oil & Gas Company
Federal 714 Lease
SW/4 of Section 17 and
SW/4 of Section 20, 23S - 36E,
Lea County, New Mexico

Dear Sir:

The Hobbs Office of the Oil Conservation Commission has requested by letter dated July 3, and July 30, 1957 that we obtain a gas connection for Well #1-K not later than September 7, 1957 and Well #2-N not later than October 14, 1957 or secure a No-Flare Order.

At the present time, approximately 70 MCF of gas is venting on the lease. The average gas-oil ratio is 945/1.

As of this date we have been unable to obtain a market for the gas being vented. Attached are two letters dated July 17, 1957 and August 14, 1957 from El Paso Natural Gas Company in which they state that, at the present time, there is not a sufficient volume of gas to warrant an extension of their gathering line.

Also attached is a copy of a letter dated September 4, 1957. This letter quotes a telephone conversation between our Mr. W. E. Hartman and Phillips Petroleum Company. At this time, we have not received a letter from Phillips Petroleum Company stating that they will not purchase the gas from this lease. When said letter is received in this office, three copies will be transmitted to you to be included with this No-Flare Application.

Also attached is a plat which shows the location of the lease, the surrounding acreage and the extent of the low pressure gathering lines of Phillips Petroleum Company and El Paso Natural Gas Company.

We feel that we have made every effort to obtain a market for the gas and are, therefore, requesting an exception to the No-Flare Order based on the above information.

Very truly yours,

Floyd Brett

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Attachments

cc: Messrs: P. T. Davis and H. F. Defenbaugh
w/attachments