June 23, 1959 New Mexico Oil Conservation Commission Re: Application for Exception to P. O. Box 871 NFO No. B-553 for Santa Fe, New Mexico JOHN H. HILL La Munyon "A" Lease Gentlement Section 22 T238 R37E, Lea County, New Mexico As agent for John H. Hill on his La Munyon Federal Ma" lease consisting of the E/2 of the NW/4 of Section 22 Township 23 South, Range 37 East, NPM, Lea County, New Mexico, I am requesting an exception to the Commission's No Flare Order No. R-553 in the Langlie Mattix Pool for the following reasons: A contract has been negotiated with Mi Pass Natural Gas Company to take the gas from this lease and work is now in progress to connect the lease. El Paso has already laid lines to the La Munyon lease under the J. C. Man & John H. Hill ownership to the west, however, no gas has been sold as of this date due to a technicality involving the Federal Power Commission. There are two wells on the La Minyon Federal "A" lease; the number one well, completed on April 1, 1959 and tested on May 6, 1959 for 43 barrels of oil, 277.3 NOT gas and a Gor of 6450:1, the number two well, completed May 3, 1959 and tested June 15, 1959 for 39 barrels of oil, 157.75 MCF gas and a GOR of 4045:1. Both these wells, as well as off-set ownerships, tank batteries, and existing gas lines, are shown on the attached plate. In view of the above facts, it is requested that the Oil Commission grant an exception to the No Flare Order for this lease for a period of free thirty to sixty days, in order to keep these wells on production and pretect correlative rights. Yours very truly. OIL REPORTS-Helen Smith 3c OCC-Santa Fe 1c OCC-Hobbs lc John H. Hill lc C. W. Smith Plats attached

