

## SHELL OIL COMPANY

P. O. Box 1858 Roswell, New Mexico

February 23, 1962

Subject: Shell State JL No. 1 Unit L, Section 32-235-37E Langlie Mattix Field LeaCounty, New Mexico Application for an Exception to the No-Flare order.

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

Gentlemen:

Please consider this an application by Shell Oil Company for an exception to the No-Flare Order as outlined in Paragraph 10 of Commission Order No. R-553 for Shell State JL No. 1, located in Unit L, Section 32, T-23-S, R-37-E, Langlie Mattix Field, Lea County, New Mexico.

In support of this application, the following statements are offered:

1. State JL No. 1 is the sole producer on the lease.

2. El Paso Natural Gas Company operates the nearest casinghead gas gathering system to the State JL lease.

3. During the past three months, lease gas production has averaged less than 400 MCF per month of which approximately 130 MCF per month or 35 per cent is required to operate lease facilities. Latest tests indicate approximately 50 per cent of the gas production now is being used on the lease. See Enclosure 1, which itemizes the gas consuming equipment on the lease, and the actual gas production and consumption during the last three months.

4. El Paso Natural Gas Company states that a gas connection to the lease would be uneconomical in view of the limited volume of gas available. This statement by El Paso Natural Gas Company is shown by Enclosure 2.