STANOLIND OIL AND GAS COMPANY

Post Office Fox 63 Hobbs, Hew Mexico

January 11, 1956

File:

RLH-33-380.1

Subject: Casinghead Gas Connection -

State "AJ" Lease

Mr. A. L. Porter, Jr. (2) Proration Manager New Mexico Oil Conservation Commission Hobbs, New Mexico

Dear Sir:

Please refer to your letter dated December 3, 1955, advising that oil allowable for our State "AJ" Well No. 2, (L-30-25-38) Langlie Mattix Pool, will be cancelled February 23, 1956, unless a casinghead gas connection or exception to the No-Flare Order is obtained by that time.

A contract is presently being processed for sale of casinghead gas from State "AS" Lease to El Paso Natural Gas Company which, together with Well No. 2, will include all wells on the subject lease. This contract should be executed prior to February 23, 1956. However, in event El Paso does not have sufficient time to complete laying their line by the above date, please advise if an extension of time could be granted in order that allowable for Well ko. 2 will be continued.

Yours very truly,

Field Superintendent