4-28-77

From

N.E. MAXWELL

To Conoco 0il Co. P.O. Box 460 Hobbs, N.M. 88240

Attn. Mr. L.P. Thompson,

Your letter of March 17, 1977 indicates that you plan to use the IP Test on your AXI Apache "N" # 11 in R-12- 25 N, 17 W., Mesaverde well, in lieu of a Deliverability test. This will not work. NMOCC Order R-1670-S states that an initial deliverability test must be submitted within 90 days of First Delivery to secure an allowable for the well.

An IP Test is an optional test and should be submitted if taken. The deliverability test is used to assign an allowable to the well. If a deliverability test is done timely, the initial deliverability will serve as the annual deliverability for the current year. All new completions must be tested annually for the first three years. After that they are tested when scheduled, every other year.

Please contact this office if there are any further questions.

M. & Malwell J. N. E. Maxwell Jr.

NEW MEXICO OIL CONSERVATION COMMISSION - AZTEC, NEW MEXICO

334.6178



L. P. Thompson
Division Manager
Production Department
Hobbs Division

Continental Oil Company P.O. Box 460 1001 North Turner Hobbs, New Mexico 88240 (505) 393-4141

March 17, 1977

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

Attention Mr. Joe D. Ramey, Secretary Director

Gentlemen:

Intention to Use the Initial Potential Test as the First Annual Deliverability Test - Continental Oil Company, AXI Apache "N" No. 11, Unit Letter P, Section 12, T-25N, R-4W, Rio Arriba County, New Mexico

By this letter, Continental Oil Company respectfully submits its notice of intention to use the initial potential for AXI Apache "N" No. 11, as the first annual deliverability test. AXI Apache "N" No. 11 is located 790' from the north and 990' from the east line of Section 12, T-24N, R-4W, Rio Arriba County, and is completed in the Mesaverde Formation. This notification is issued in accordance with Article 3, Section 2-A of Order No. R-333-F-2, effective July 30, 1974.

Yours very truly,

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GCNM

First International Bldg.

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Suite 1800 Dallas, Texas