## DIL CONSERVATION COMMISSION

1000 RID BRAZOS ROAD AZTEC, NEW MEXICO

## December 24, 1964

Texaco, Inc. P.C. Box 810 Farmington, New Mexico

Attn: Mr. C. P. Farmer

District Superintendent

Dear Sir:

We have your letter of December 21, 1964 requesting the Commission's interpretation of Rule 502 Paragraph 1 as it pertains to over production on your Navajo Tribal AR \*1 Nell and your Navajo Tribal AL \*1 in the Tocito Dome Pennsylvanian D Pool. This paragraph states that wells may be produced in excess of the 125% daily tolerance to make up for production less during the process of testing or completion of a well.

As your Navajo Tribal AR #1 fits this category and as it was not over produced as of December 20 there is no question that this is legal production.

While the rule does not specifically cover a situation such as described for your Navajo Tribal AL #1 well you were within the 5-day tolerance as of December 20 and your letter has explained the reason for the excessive production on the 3 days mentioned. Therefore so long as both wells are essentially in balance by the end of December we feel that all production will be legal under the Commission's rules.

Yours very truly

ECA:ks

Emery C. Arnold Supervisor, District #3

cc: OCC, Santa Fe. N.N.

## OIL CONSERVATION COMMISSION

1000 RIG BRAZGS ROAD
AZTEC, NEW MEXICO

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Yours very truly

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Every C. Arnold Supervisor, District #3

nei Gal, Santo Fe. H.B.

P. O. Box 810 Farmington, New Mexico 87401

December 21, 1964

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The New Mexico Oil Conservation Commission 1000 Rio Brazos Road Aztec, New Mexico

Attention: Mr. E. C. Arnold

Gentlemen:

TEXACO Inc. desires an interpretation of the Commission's Rule No. 502, Paragraph I (a) as it applies to its leases in the Tocito Dome Pennsylvanian "D" Field of San Juan County.

The Navajo Tribe "AR" No. 1 was completed on November 27, 1964. The well was abut-in during the first six days of December in order to move the drilling rig and to obtain a bottom hole pressure. Subsequent to verbal approval from your office the under-production occasioned by this shut-in period was made up by producing the well at rates in excess of 125 percent of top unit allowable for the field. As of the morning of December 20, the well had a cumulative allowable of 3,686 barrels and had produced 3,880 barrels.

On December 15, 16, and 17 the Navajo Tribe "AL" No. 1 produced 316, 300 and 250 barrels respectively which is in excess of 125 percent of the top unit allowable. This production above the daily tolerance was caused by a malfunction of the choke and has been corrected. As of the morning of December 20, the well had a sumulative allowable of 2,868 barrels and a cumulative production of 3,217.

If the over-production as described above is legal within the Commission's interpretation of Rule No. 502, Paragraph I (a), it would be appreciated if you would so signify by signing and returning two copies of this letter.

Very truly yours,

C. P. Parmer RLU C. P. Farmer

District Superintendent 221964

OIL CON. COM. DIST. 3

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2. 0. Bow 210 Farmington, New Mexico 3/401

Describer 21, 1964

The how Morico Oil Conservation Commission 19**00 Ri**n Erszos Ross Astoc, New Mexico

Attenvion: Wr. A. C. Arnold

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TEXACO Inc. desires as interpretation of the Commission's Pule No. 50%, faregrees I (s) as it applies to its because up the Tootho Ikme Jennsylvanish "D" Field of San Juan Johns.

Red Movelo Trace 'Ah' No. 1 was demploted on No.ember 27, 19 th. The wall see shot-in during the first six
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obtain a bettom hale organize. Successible to verbal approval
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excess of 126 percent of top unit allowable for the field.
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allowable of jubb carreis and had produced 3,580 barreis.

On December 15, 10, and 17 the Maysjo Tribe "AL" to produced 310, 300 and 250 parrels respectively which is is in excuse of 125 percent of the top unit slicemble. This production above the felly tolerance was caused by a mailungtion of the choice and has been corrected. It of the morning of December 20, the well had a cumulative allowable of 2,865 burnels and a cumulative production of 5,217.

It the over-production as described above is legal efforts the Commission's interpretection of Rule No. 502, Parataph & (a), it would be appreciated if you would so signify by about and resumning two copies of this letter.

Very Chily yours,

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Mark: VVV : same