

PETRO-ATLAS, INC.
A SUBSIDIARY OF ATLAS CORPORATION
2000 NATIONAL BANK OF TULSA BUILDING
TULSA 3, OKLAHOMA

COPY

October 3, 1960

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

Re: AZTEC #1 - Unit F - Section 8-27N-9W, San Juan Co., New Mexico

Gentlemen:

On March 23, 1960, Gas Supplement (NW) SF-1216 was issued. This notice stipulated that the Petro-Atlas, Inc. #1 Astec, located in Unit F, Section 8, Township 27 North, Range 9 West, San Juan County, New Mexico, was to be shut-in until further notice by the Commission. The reason for shut-in was non-entailment of overage.

The October, 1960, San Juan Basin Gas Proration Schedule, issued as a part of Order #AG-N-11-C, indicated that the subject well had been assigned an allowable of 3865 Mcf for the month of October. In addition, this schedule indicated that the ending net allowable for the month of September was 19,579-Mcf. As our Astec #1 was not produced during the month of September, the overproduction on September 30, 1960, was 19,579 Mcf.

Under the terms of revised Rule 12 of Orders R-565-C, R-566-D and R-846, which was revised by Order #R-967, April 23, 1957, paragraph 1 states that a well which is overproduced in an amount equaling six times its current monthly allowable shall be shut-in during that month and each succeeding month until the well is overproduced less than six times its current monthly allowable. As the subject well is overproduced less than six times its current monthly allowable, it is respectfully requested that the shut-in order be rescinded and the well be returned to producing status. It is planned to maintain a close watch over the subject well and other gas wells that we are producing in the State of New Mexico, to make certain that the wells are produced in accordance with the current rules and orders of the Commission.

Very truly yours,

H. B. COVE

HBC:jg

cc: Mr. L. H. Kramer
cc: Mr. George L. Verity
cc: El Paso Natural Gas Company
P. O. Box 997
Farmington, New Mexico
cc: New Mexico Oil Conservation Commission ✓
1000 Rio Brazos Road
Astec, New Mexico

