

**OIL CONSERVATION COMMISSION**

1000 RIO BRAZOS ROAD

AZTEC, NEW MEXICO

B 16-30-12

January 14, 1965

Atlantic Refining Company  
Suite 1500, Security Life Building  
Denver, Colorado

Attn: Mr. B. J. White, District Gas Representative

Dear Mr. White:

Following our phone conversation this morning I made a further investigation and have finally resolved the net allowable discrepancies for your Atlantic State Gas Unit "C" #1 well.

As I mentioned this morning, the January difference amounts to 111 MCF and was made because of an adjustment to January production in that amount. The February difference is due to an adjustment of 1671 MCF which was made in February for December production. Mr. Fred Mares, our statistician in Santa Fe has informed me that the cancellation of underage which was made on this well effective February 1, 1964 was changed from 4640 MCF to 4308 MCF. This is a difference of 332 MCF. A further adjustment was made to the February production of 671 MCF. The April difference as shown in your letter and in the schedule for 1003 MCF which is equal to  $332 + 671$ ; therefore the 34,360 MCF beginning net allowable is correct in the April schedule and should be used.

I hope that this will straighten the matter out for you. If you run into further difficulties, please let us know.

Yours very truly

ECA:ks

Emery C. Arnold  
Supervisor, District #3

OIL CONSERVATION COMMISSION  
1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO

Page 1

Enclosed for the  
Commissioner of the  
Department of the Interior

is a copy of the report of the

Commissioner of the

Department of the Interior  
concerning the proposed  
oil conservation program

for the oil fields in the  
State of New Mexico. The  
report is being submitted  
to you for your information  
and for your recommendation  
to the Commission. The  
report contains a detailed  
description of the oil  
fields in the State and  
the proposed conservation  
program. It also contains  
a list of the oil fields  
in the State and the  
proposed conservation  
program for each field.

The report is being submitted  
to you for your information  
and for your recommendation  
to the Commission.

Very respectfully,  
Commissioner of the

Department of the Interior  
Washington, D. C.

cc: 100



THE ATLANTIC REFINING COMPANY  
INCORPORATED - 1870  
PETROLEUM PRODUCTS

January 8, 1965

NORTH AMERICAN PRODUCING DEPARTMENT  
ROCKY MOUNTAIN DISTRICT  
S. L. SMITH, MANAGER  
C. M. BONAR, GEOLOGICAL  
FRANK P. CASTLEBERRY, LAND  
R. O. CHILDERS, DRILLING & PRODUCTION  
DAVID B. DAVIDSON, GEOPHYSICAL  
T. O. DAVIS, ENGINEERING  
K. W. KESSLER, ADMINISTRATIVE

SUITE 1500  
SECURITY LIFE BUILDING  
1616 GLENARM  
DENVER, COLORADO 80202  
266-3741

Mr. Emory C. Arnold  
Supervisor, District #3  
State of New Mexico Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico

Re: Allowable for Atlantic-  
State Gas Unit C-1  
Basin Dakota Field

Dear Mr. Arnold:

I have been trying to trace back the allowable for the subject well and have found some differences that I cannot resolve with the data in the proration schedules. After receiving your reply to a previous question about this well (October 6, 1964) I was able to bring our ledgers in agreement with your balance for the well through the Ending Net Allowable for November, 1963 (18,546 MCF). I cannot determine why this number was not carried forward as the Beginning Net Allowable for November, 1963 instead of 19,217 MCF. I found similar situations in the following months:

<u>Month</u>	<u>E.N.A.</u>	<u>B.N.A.</u>
January, 1964	25,376 MCF	25,487 MCF
February, 1964	29,034 MCF	31,195 MCF
April, 1964	33,257 MCF	34,260 MCF

The only thing I could obtain from this relationship is that the B.N.A. is always larger than the E.N.A.

One other general question. Several wells in which we have an interest were put on marginal status as far as the proration schedule is concerned for two or three months beginning in August, 1964. The underproduced balance was dropped from the report. Then in October, apparently the wells were put back on non-marginal status and the underproduction was



- 2 -

picked up. It appears that allowable was refigured on the marginal months also. Is this assumption correct?

Any information you can provide to shed light on the proration history of this "problem" well will be very much appreciated.

Very truly yours,

A handwritten signature in cursive script, appearing to read "B. J. White".

B. J. White

District Gas Representative

BJW:sw

