

WCC Date

OIL CONSERVATION COMMISSION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

July 15, 1963

M. Martin Oil & Gas Company
Box 1064
Farmington, New Mexico

Gentlemen:

We have just received Operator's Monthly Report, Form C-115 for your Company for the months of May and June, 1963. On your Owen Navajo #1, L 6-30-15, you have shown 328 barrels produced and 200 barrels run in the month of May and 629 barrels produced and 739 barrels run in the month of June. Our files do not indicate Form C-104, request for allowable or Form C-110, authorization to transport have ever been filed for approval. Also no oil supplement has ever been issued giving the well an allowable; therefore all the above production is illegal production under our statutes. By this letter we are directing this well be immediately shut in and not produced further until our rules have been complied with. Further, this well should not be produced after the assignment of allowable until such time as the assigned allowable balances past production.

We are assuming that the well was produced without allowable because of a good faith error, therefore we are not instituting legal action under the statutes at this time; however we must remind you that any further violation of New Mexico Oil Conservation Commission Rules and Regulations will be considered grounds for the immediate institution of legal action.

We will be glad to assist you in any way possible in properly complying with the rules. If you have any questions regarding our requirements prior to producing and running oil please contact us and we will be glad to answer your questions.

Very truly yours,

Emery C. Arnold
Supervisor, District #3

cc: OCC, Santa Fe, N.M.
Transwestern Tankers

ECA/bt