

ENERGY MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
310 OLD PECOS TRAIL
SANTA FE, NEW MEXICO 87503
JULY 25, 1990

* * * SHUT IN NOTICE * * *

RECEIVED

JUL 30 '90

A.C.D.
OFFICE

OXY USA, INC.
P.O. BOX 50250
MIDLAND

TX

79710

GENTLEMEN :

THE GPU DESCRIBED BELOW HAS EXCEEDED THE OVERPRODUCTION LIMIT PROVIDED IN RULE 11(B)-1 OR 11(B)-2, WHICHEVER IS APPLICABLE, OF THE RULES AND REGULATIONS FOR PRORATED GAS POOLS CONTAINED IN ORDER R-8170, AS AMENDED. AS PROVIDED BY SAID RULE THE GPU IS TO BE SHUT-IN IMMEDIATELY AND LEFT SHUT-IN UNTIL IT IS OVERPRODUCED LESS THAN THE OVERPRODUCTION LIMIT (6 TIMES IN THE SOUTHEAST POOLS, 12 TIMES IN THE NORTHWEST POOLS). THE DATA SHOWN BELOW, ALSO SHOWN IN THE CURRENT PRORATION SCHEDULE, INDICATES THE OVERPRODUCTION LIMIT AS WELL AS THE CURRENT OVERPRODUCED STATUS.

IF SHUT-IN WILL JEOPARDIZE YOUR LEASE OR CAUSE OTHER HARDSHIP, AUTHORITY CAN BE GRANTED TO MAKE UP THE OVERPRODUCTION AT LESS THAN COMPLETE SHUT-IN (NOT TO EXCEED 250 MCF PER MONTH) BY WRITTEN AUTHORIZATION OF THE DIRECTOR.

IT IS CALLED TO YOUR ATTENTION THAT THE EXCESSIVE OVERPRODUCTION CONSTITUTES "ILLEGAL GAS" AS DEFINED IN 70-2-16E NMSA AND CONTINUING VIOLATIONS ARE SUBJECT TO PENALTIES AS PROVIDED IN SECTION 70-2-31A AND B. SUCH PENALTIES MAY APPLY TO BOTH WELL OPERATOR AND THE TRANSPORTER.

POOL: BURTON FLAT MORROW (PRORATED GAS)
TRANSPORTER: OXY USA, INC.
LEASE: GOVERNMENT W COM
WELL-ID: 1 N 22 20S 28E N 1.00 JUNE O/U = 124523-
SHUT-IN DATE = 6/90 OVERPRODUCTION ALLOWABLE LIMIT = 94285

OXY USA, INC. IS HEREBY DIRECTED TO CEASE TAKES FROM THIS WELL UNTIL IT IS RELEASED FROM SHUT-IN BY THE DIVISION AS WILL BE INDICATED IN THE GAS PRORATION SCHEDULE.

VICTOR T. LYON,
CHIEF ENGINEER,
ENGINEERING BUREAU,

C: TRANSPORTER
OCD FILE