



BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

July 18, 1979

Mr. Noel Reynolds
P. O. Box 356
Flora Vista, New Mexico 87415

Dear Mr. Reynolds:

This letter shall serve as your authority to run 207 barrels of oil from your Paquenche A #3 well located C-10-24N-8W, Dufers Point Gallup-Dakota Pool, and 152 barrels of oil from your Ake #1 well located I-11-24N-8W, Escrito Gallup Pool to prevent possible loss by theft, vandalism or other causes.

Seals will be placed on the wellhead and tank valves to ensure that the wells remain shut-in until further notice by the Oil Conservation Division. Breakage of the seals shall constitute violation of the previously issued shut-in order and will subject the operator to the penalties as provided in the New Mexico Statutes Annotated, 1953 Compilation, Chapter 65 which says in part:

"65-3-27. PENALTIES FOR VIOLATIONS

B. Any person who knowingly and willfully violates any provision of this act or any rule, regulation or order of the commission or division made hereunder, shall, in the event a penalty for such violation is not otherwise provided for herein, be subject to a penalty of not to exceed one thousand dollars (\$1000) a day for each and every day of such violation, and for each and every act of violation, ..."

Thriftway Company is notified by copy of this letter for the authority to haul the products.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
District Supervisor

xc: Thriftway Company
Oil Conservation Division, Santa Fe
U.S.G.S., Farmington

ARK:no

NOEL REYNOLDS

Box 356

FLORA VISTA, N. MEX. 87415

PHONE 505-334-2867

RESIDENCE PHONE 334-2867

NOEL REYNOLDS

Oil - Gas - Mining

~~107 NORTHWEST ENERGY BLDG.~~

~~FARMINGTON NEW MEXICO 87401~~

Contact 325 1873

Car 223

OFFICE PHONE: 225-4180

7-18-79.

New Mexico Oil and Gas Commission
100 Ruins Road - Rio Brazos Blvd.
Aztec, N. M.
Mr. Al Kendrick.

I am aware that my Paquerche # 3
and Ace 1-11 wells have been shut in.
They are located in the Dobbers Point
and Escrito fields, in 24N, 8W, San Juan
County New Mexico.

These wells have been shut in due to
violation of State Production Regulation.
However, I had on hand 575 Barrels
of oil on hand and hereby request
Permission to move same to the
refinery to avoid possible vandalism
or theft. I would like permission
as soon as possible to have Thrift-
way gather this oil and store it
until the ban is lifted.

Sincerely,

Noel Reynolds

