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Amoco Production Company

Houston Region  
500 Jefferson Building  
Post Office Box 3092  
Houston, Texas 77001

H. L. McDonald  
Regional Gas Sales  
Manager

C-36-15-27

OCT 18 1979

File: HLM-715

Re: FERC Control No.: 79-16166  
API Well No.: 30-005-60461  
Section of NGPA: 103  
Well Name: State /ET/ No. 1 *Penn*  
Field: ~~Penn~~ Buffalo Valley ~~Atoka~~  
County, State: Chaves, NM  
Date Received at FERC: 8-13-79  
Jurisdictional Agency: N.M. Department of Energy and Minerals  
Amoco File: HWT-277

Transwestern Pipeline Co.  
P. O. Box 2521  
Houston, TX 77001

Gentlemen:

The FERC in its "Notice of Determination by Jurisdictional Agencies under The Natural Gas Policy Act of 1978" dated 8-24-79, acknowledged receipt of the subject determination on the above indicated date.

The 45 day period pursuant to paragraph 275.202 (a)(1) "Commission Review of Final Determination" has expired without FERC having issued a preliminary finding. Therefore, the maximum lawful price applicable to the subject well as determined by the jurisdictional agency became final and effective on 9-27-79. Amoco's collection of such price including interest on the retroactive amount due will be subject to the terms of the applicable gas contract(s).

In order for us to comply with the provision of 273.204(c)(3) as soon as possible upon expiration of 45 days after the above date on which the price became final, please furnish Amoco Production Company; Controllers Department; P. O. Box 591; Tulsa, OK 74102; Attention: Mr. William Milberger; the following:

1. Supporting statement including interest, if any, of the retro-active amount due.
2. A signed copy of the attached copy of concurrence.
3. An agreement comparable to the attached for the payment of interest on retroactive amounts due.

Please furnish the above three items prior to payment of any amounts due.

Yours very truly,

A handwritten signature in dark ink, appearing to read "H. L. McDonald". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

AEM/sjs  
0000

cc: Mr. John Howard - Chicago - MC 2103  
Mr. S. C. Hill - Tulsa - N 1154  
All Working Interests (Addressee list attached)

Amoco Production Company  
P. O. Box 3092  
Houston, Texas 77001

Gentlemen: -

By letter dated \_\_\_\_\_, the undersigned as Buyer concurred in the payment of retroactive collections to Amoco Production Company for deliveries of gas from well(s) which have met the requirements of the NGPA '78.

Section 273.204(c)(5) of the Federal Energy Regulatory Commission's Regulations implementing the Natural Gas Policy Act of 1978 provides that if the Buyer and Seller agree, carrying charges may be paid on such collections. To be eligible, the Seller must submit to FERC a written agreement of the parties to the applicable sales contract providing for such charges. This letter prepared in duplicate will constitute an agreement between the undersigned as Buyer and Amoco Production Company as Seller that carrying charges will be paid on the amounts subject to retroactive collection at the rate provided for in Section 154.102(c) of the Commission's Regulations. Said carrying charges shall be applicable to sale of gas from any well(s) meeting the requirements of NGPA '78 under any contract(s) now in effect between Buyer and Seller. If the foregoing is acceptable, please date and sign a duplicate copy of this letter in the space provided below and return it to the undersigned for our files.

Very truly yours,

\_\_\_\_\_

By \_\_\_\_\_  
Title

ACCEPTED AND AGREED TO THIS \_\_\_\_\_ of \_\_\_\_\_, 1979.

By: \_\_\_\_\_  
Attorney-In-Fact

STATEMENT OF CONCURRENCE

We concur with the statement of Amoco Production Company that it does not owe any refund to this Company for gas purchased under various contracts we have with them and for which we commenced making payment to them under the Interim Collection procedure as set forth in Subpart B Part 273 of the NGPA.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_.

\_\_\_\_\_  
Purchaser

By \_\_\_\_\_  
Title