

# TUCO INC.

SPS TOWER  
6TH AT TYLER  
P. O. Box 1261 • Amarillo, Texas 79170

November 8, 1976

McClellan Oil Corporation  
P.O. Box 848  
Roswell, New Mexico 88201

Attention: Mr. Jack McClellan

Dear Jack:

Referring to your conversation with Jim Murray in our Roswell office, we regret that our present gathering line operating pressure is too high to enable us to accept gas from your wells "June 15 Federal" and "Hinkle #1 Federal."

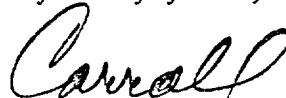
We are in the process of finishing our pipeline to Hobbs and installing additional compression and loops on our gathering line in southeast Chaves County. We expect that the pressure in the gathering line near these wells will be down to about 120 - 140 psig by early January when the pipeline goes into operation.

At that time we plan to install an existing compressor we have on hand to take gas from these wells and boost your gas into our gathering system.

If these wells will not produce at the contract pressure, a compression fee will be charged.

Hopefully, we will be taking this gas by mid-January 1977.

Very truly yours,



Carroll D. Beaman  
President

**RECEIVED**

**DEC 1 1976**

**O. C. C.**  
ARTESIA, OFFICE

cc: Coyt Webb  
Jim Murray  
R. L. Brockschmidt