SEP 20 1984

RECEIVED BY

O. C. D. ARTESIA, OFFICE

EXPLORATION AND PRODUCTION GROUP Permian Basin Region

September 18, 1984

4001 PENBROOK

Re: Leasehold Production Requirements -USA-9 Well No. 1, Lease Nos. NM-13232 and NM-16101 - John R. Seay, Operator -Artesia Plant/Systems Gas Well Gas

Proration by Shut-In, Eddy County, New Mexico

John E. Seay P.O. Box 50772 Midland, Texas 79710

Dear Mr. Seay:

Reference is made to your captioned letter of September 11, 1984, and our notice of gas well gas proration dated September 4, 1984.

In order to maintain your leasehold production status, this is to advise that Phillips will take a maximum of 50 Mcf/Day of produced gas from the USA-9 Well No. 1 on October 16 and 17, 1984. It is understood that the production on October 16, 1984, will be sufficient to hold your lease for the 30-day production period ending on that date; and further, that the production on October 17, 1984, will be sufficient to hold your lease for the 30-day production period ending on November 16, 1984. In addition, a like amount of production will be accepted on December 16 and 17, 1984, to cover the respective 30-day production periods ending December 16, 1984, and January 16, 1985.

It is requested that R. W. Gray Pumping Service contact Don Laird - Artesia Plant Superintendent (505) 677-3154 prior to the designated production dates in order to coordinate the flowing of the USA-9 Well No. 1 under these criteria.

Cordially yours,

E. E. Clark

THM: gint

cc: Bureau of Land Management Department of the Interior Box 1778 Carlsbad, New Mexico 88220

> NM Oil Conservation Division Drawer DD Artesia, New Mexico 88210

Gray Pumping Service Box 1046 Artesia, New Mexico 88210

Don Laird (Phillips' Artesia Plant)