



PHILLIPS 66 NATURAL GAS COMPANY

A SUBSIDIARY OF PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79782
4001 PENBROOK

November 5, 1986

Notice of Overproduction
Yates Federal "C" No. 1
Burton Flat - Morrow Field

Exxon Company, U.S.A.
P. O. Box 1600
Midland, Texas 79702-1600

31-28-28

RECEIVED BY
NOV 10 1986
O. C. D.
ARTESIA OFFICE

Dear Sir:

The subject prorated gas well is in violation of Rule 11(b) of the New Mexico General Rules for Prorated Gas Pools. The November, 1986 Southeast Gas Proration Schedule shows this prorated gas well exceeding six times its average monthly allowable by the amount of 64,239 MCF. Your Yates Federal "C" No. 1, must be shut-in and remain shut-in until the accumulated overproduction is reduced to within its allowable limits.

Effective December 1, 1986, Phillips 66 Natural Gas Company will not accept any further deliveries from the subject well until we have received notification in writing that the well has been approved to resume production. A copy of any orders approving a hardship status or approval to produce at a reduced rate is also requested. Well No. 1 is connected to Phillips 66 Natural Gas Company's gathering system serving the Winchester Plant.

Please direct all correspondence or inquiries to the undersigned at the letterhead address or call (915) 367-1488.

Sincerely,

Larry M. Sanders, Agent
Phillips 66 Natural Gas Company

LMS/sdb
REG3.1/pool

cc: New Mexico Department of Energy, Oil Conservation Division
Santa Fe and Artesia Office
D. J. Fisher
R. C. Ainsworth
C. W. Zahn
Glenn Donaldson
K. R. Johnson
Central Files