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## PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762 4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP

FEB - 7 '90

AMELIA, DAMCE

February 5, 1990

Energy and Minerals Department Oil Conservation Division P O Box 1980 Hobbs, New Mexico 88240

> In re: Oil Transferred from James A to James E Lease

Gentlemen:

In February, 1990, approximately 725 barrels of oil will be transferred off the James A Lease (Cabin Lake Delaware) to the James E Lease (Cabin Lake Delaware) to Well No. 3 for testing purposes. A Form C-126 has been filed and is attached. We expect to both transfer and recover the 725 barrels in the month of February, 1990. If you need any additional information, please feel free to call.

Sincerely,

F. M. HAT

J. M. Hastings Production Records Supervisor