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COLEMAN DRILLING CO.
BIG A WELL SERVICE
SUNCO TRUCKING



COLEMAN OIL & GAS, INC.

DRAWER 3337
FARMINGTON, N.M. 87499

OFFICE: 505-327-0356

February 11, 1988

New Mexico Energy and Minerals Department
Oil Conservation Division
Box 2088
Santa Fe, NM 87501-2088

Attention: Mike Stogner

Re: Off-Lease Metering
Coleman Oil and Gas
Anderson No. 1 Well
SW/4 Sec. 22, T24N, R8W
San Juan County, New Mexico
Federal Oil and Gas Lease NM-54366

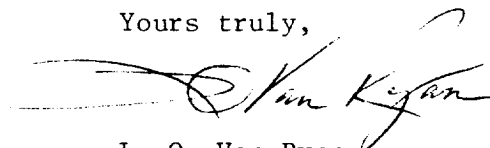
Gentlemen:

The subject well was completed in the Lybrook Gallup pool last October. Gas production from this well will be less than 50 Mcf/D. At this rate, the purchaser will not lay a gas line to the well.

Coleman has laid a gas line to a pipeline connection in unit P Section 22, T24N, R8W. This is the tie-in point given to us by the purchaser, Mesa Operating Limited Partnership. They are installing the gas meter at the tie-in point.

Coleman requests approval of this "off-lease" metering for the Anderson #1. Gas volumes will be reported by Mesa Operating Limited Partnership.

Yours truly,


L. O. Van Ryan
President

LOVR/ns

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FEB 16 1988
OIL CON. DIV.
DIST. 3