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other things, "such gas shall be of proper quality for the public utility market of Buyer." We are currently experiencing some problems with the deliveries from the Mudge "A" #7 that will require the installation of a separator to provide pipeline quality gas. It is recognized that Gas Company has in some cases previously provided such equipment but will not consider doing so in light of todays market and our diminished requirments for gas production.

Thank you for your interest and at such time as our markets improves sufficiently to warrant added volumes, we would be pleased to pursue this matter with you.

Thank you for your cooperation.

Very truly yours,

W. J. Orbison

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Sr. Gas Contract Representative

WJO:ws

cc: Mr. Jim Wyman

Mr. Bruno Giovanini

Mr. Dave Kirkland

Mr. Bob Large