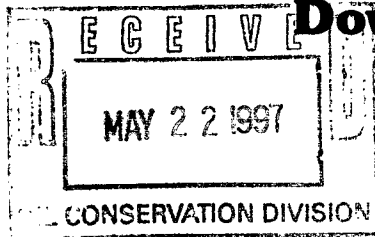


NSP

6/11/97



Downs Oil and Gas Research

1424 West Paige Dr.
Hobbs, New Mexico 88240

(505) 392-7121

May 16, 1997

Oil Conservation Division
Energy, Minerals & Natural Resources Dept.
2040 South Pacheco St.
Santa Fe, N.M. 87505

NSP-R457

ATTN: Mr. Michael E. Stogner

RE: APPLICATION FOR REDUCTION OF A NON-STANDARD PRORATION UNIT
SEAY EXPLORATION, INC.
C.C. CAGLE "C" #1-D (990/N & W) Sec.3, T26S, R37E, Lea, Cty.NM
JALMAT-TANSIL-YATES-SR GAS POOL

Dear Mr. Stogner:

A 320-acre non-standard Jalmat gas proration unit for the above-referenced well consisting of the N/2 of Sec. 3, T26S, R37E was approved by Division Order R-957.

At this time, Seay Exploration, Inc. respectfully requests administrative approval to reduce this to a 160-acre non-standard Jalmat gas proration unit consisting of the NW/4 of Sec. 3, T26S, R37E. The acreage being deleted will have no adverse effect on any interest since all the 320 acres is common.

Enclosed is a map outlining all offset properties with operators or owners properly marked. All these parties are being furnished a copy of this application by certified mail (return receipt). A WAIVER LETTER is also being enclosed with these notices and as soon as they are returned they will be forwarded to you.

Your consideration of this application will be appreciated. Should you have additional questions or need more information, please contact Steve Snelson at (915) 682-5737.

Sincerely,

Evelyn F. Downs

Evelyn F. Downs, Agent for:
SEAY EXPLORATION, INC.
407 North Big Spring, Suite 200
Midland, TX 79701

Encl.

cc: Oil Conservation Division - Hobbs, NM
Bureau of Land Management - Roswell, NM
Offset Operators as per attached list

LIST OF OFFSET OPERATORS

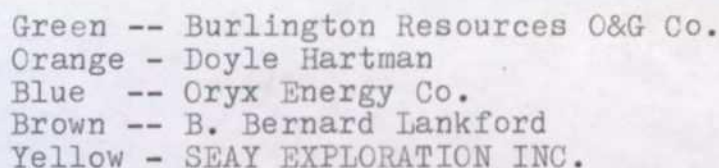
Burlington Resources Oil & Gas Company
P.O. Box 51810
Midland, TX 79710-1810

Doyle Hartman
P.O. Box 10426
Midland, TX 79702

B. Bernard Lankford
P.O. Box 238
Midland, TX 79702

Oryx Energy Company
P.O. Box 2880
Dallas, TX 75221-2880

T26S, R37E



Downs Oil and Gas Research

1424 West Paige Dr.
Hobbs, New Mexico 88240

(505) 392-7121

May 16, 1997

CERTIFIED MAIL - RETURN RECEIPT

Burlington Resources Oil & Gas Co.

P.O. Box 51810

Midland, TX 79710-1810

Attn: Proration Dept.

RE: NON-STANDARD GAS PRORATION UNIT

SEAY EXPLORATION, INC.

C.C. CAGLE "C" #1 (API #30-025-11935)

Unit D (990/N & W) Sec. 3, T26S, R37E, Lea County, N.M.

JALMAT-TANSIL-YATES-SR GAS POOL

Gentlemen:

Seay Exploration, Inc. seeks administrative approval for the reduction of their 320-acre Jalmat gas proration unit consisting of the N/2 of Section 3, T26S, R37E, approved by R-957, to a 160-acre Jalmat Gas proration unit consisting of the NW/4 of Section 3, T26S, R37E, for their C.C. Cagle C #1.

If you have no objection to this proposal, please sign and return one copy of this WAIVER in the enclosed self-addressed stamped envelope to Seay Exploration, Inc. Attn: Steve Snelson, P.O. Box 8534, Midland, TX 79708.

Sincerely,

Evelyn F. Downs, Agent for
SEAY EXPLORATION, INC.

APPROVED: Burlington Resources Oil & Gas Co.

By: _____

Position _____

Date: _____

Downs Oil and Gas Research

1424 West Paige Dr.
Hobbs, New Mexico 88240

(505) 392-7121

May 16, 1997

CERTIFIED MAIL - RETURN RECEIPT

Doyle Hartman

Attn: Proration Dept.

P.O. Box 10426

Midland, TX 79702

RE: NON-STANDARD GAS PRORATION UNIT
SEAY EXPLORATION, INC.
C.C. CAGLE "C" #1 (API #30-025-11935)
Unit D (990/N & W) Sec. 3, T26S, R37E, Lea County, N.M.
JALMAT-TANSIL-YATES-SR GAS POOL

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Sincerely,

Evelyn F. Downs, Agent for
SEAY EXPLORATION, INC.

APPROVED: Doyle Hartman

By:

Position

Date:

Downs Oil and Gas Research

1424 West Paige Dr.
Hobbs, New Mexico 88240

(505) 392-7121

May 16, 1997

CERTIFIED MAIL - RETURN RECEIPT

B. Bernard Lankford

P.O. Box 238

Midland, TX 79702

RE: NON-STANDARD GAS PRORATION UNIT
SEAY EXPLORATION, INC.
C.C. CAGLE "C" #1 (API #30-025-11935)
Unit D (990/N & W) Sec. 3, T26S, R37E, Lea County, N.M.
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Sincerely,

Evelyn F. Downs, Agent for
SEAY EXPLORATION, INC.

APPROVED: B. Bernard Lankford
By: _____
Position _____
Date: _____

Downs Oil and Gas Research

1424 West Paige Dr.
Hobbs, New Mexico 88240

(505) 392-7121

May 16, 1997

CERTIFIED MAIL - RETURN RECEIPT

Oryx Energy Company

Attn: Gas Proration Dept.

P.O. Box 2088

Dallas, TX 75221-2880

RE: NON-STANDARD GAS PRORATION UNIT
SEAY EXPLORATION, INC.
C.C. CAGLE "C" #1 (API #30-025-11935)
Unit D (990/N & W) Sec. 3, T26S, R37E, Lea County, N.M.
JALMAT-TANSIL-YATES-SR GAS POOL

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Sincerely,

Evelyn F. Downs, Agent for
SEAY EXPLORATION, INC.

APPROVED: Oryx Energy Company
By: _____
Position _____
Date: _____

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/28/97 08:07:31
OGOMES -EMD5
PAGE NO: 2

Sec : 03 Twp : 26S Rng : 37E Section Type : NORMAL

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M 40.00 Federal owned	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/28/97 08:07:22
OGOMES -EMD5
PAGE NO: 1

Sec : 03 Twp : 26S Rng : 37E Section Type : NORMAL

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E 40.00 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned	H 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12