TO THIS TO

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

September 9, 1986

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

Ms. Laurie Willemyns Northern Natural Gas Co. 2223 Dodge Street Omaha, Nebraska 68102

Re: Amerada-Hess, Adkins #3-M-5-20S-37E,

Eumont Pool

Dear Ms. Willemyns:

Thank you for your letter of September 3, 1986.

There is no translation problem on your figures as compared to our proration schedule figures other than the fact that your gas purchase contract calls for a pressure base of 14.65 psia whereas New Mexico's standard cubic foot of gas is at a pressure base of 15.025 psia.

Your letter fails to address why the well is still on production and is being transported/purchased by Northern Natural. Rule 11(b) of Order No. R-8170 requires wells six times overproduced to be shut in unless exception is granted under Rule 11(c) for make-up under a lesser rate than complete shut-in.

We would appreciate your response to our request for explanation for the continuing violation.

Yours very truly,

VICTOR T. LYON, Chief Engineer

VTL/dr

cc: Jerry Sexton - Hobbs

Harold Garcia - Santa Fe