RAILROAD COMMISSION REPORTS PREPARED ALL STATE PRODUCTION REPORTS PROPERTY MANAGEMENT

(915) 684-6381

West Texas Oil Reports

P. O. BOX 953 MIDLAND, TEXAS 79702

June 23, 1992

407 NORTH BIG SPRING SUITE 330

Oil Conservation Division Attn: Jerry Sexton P.O. Box 1980 Hobbs, NM 88240

> Re: Seay Exploration, Inc. House Blinebry, South, House, well #1 Sec. 13, T-20-S, R-38-E Lea County

Dear Sir,

In reference to the above captioned well, we received a notice from the Oil Conservation Division dated 6-16-92 requesting that production cease on this well until our overproduction is made up. We show that we have underproduced our allowable as follows:

Month	Production	Allowable
Jan	5870	8804
Feb	5144	7952
Mar	6089	8804
Apr	6182	8520
May	N/A	8804

The data above shows we have been underproducing for the past months and anticipate being underproduced in the future. Since we are steadily underproducing, the overproduction will be made up.

We respectfully request that we be allowed to produce the well at the current rate of 170-200 MCF/day.

Yours truly,

Kat, Ellish

Kate Ellison, Agent Seay Exploration, Inc.

cc; Oil Conservation Division Attn: Donna Dominguez P.O. Box 2088 Santa Fe, NM 87504

over prot. Of curred because well pros' several months without welcan for failure to file Comp test



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR June 24, 1992

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Seay Exploration Inc. ATT: Kate Ellison 407 N. Big Spring, Suite 200 Midland, TX 79701

RE: PRODUCTION House #1, 13-20-38

Dear Gentlemen:

We are in receipt of your letter witten on June 23, 1992 concering you overproduction. Reviewing your allowable and production for the past four months, you are correct in that you are underproducing. You may produce the well at the current rate of 170-200 MCF/dat.

If you have more questions, please call the District I office (505) 393-6161.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton District I, Supervisor

JS:dp cc: Oil Conservation Division ATT: Donna Dominguez Santa Fe, NM

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