

REAHO CORPORATION

MERCANTILE BANK BUILDING

DALLAS 1, TEXAS

July 12, 1956

Oil Conservation Commission
State of New Mexico
Box 2045
Hobbs, New Mexico

Attention: Mr. R.F. Montgomery
Proration Manager

Gentlemen:

We have your letter of July 10, 1956 with reference to the flaring of casinghead gas on our Atlantic State #1 in Unit P of Section 25-21S-35E, Lea County, New Mexico.

We wish to apologize for the delay in replying to your notices of April 5th but we have been waiting to see what Phillips Petroleum Company intended to do regarding making a connection to this lease. Our production superintendent advises us today that Phillips Petroleum Company is at the present time laying the line and setting meter run, and the wells should be connected within the next day or two. The wells have been shut-in for the past few days while Phillips has been making the connection, and we feel sure that within the next few days Phillips should be taking the gas from this lease.

Very truly yours

REAHO CORPORATION

By

Homer D. Key

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