

# **Downs Oil and Gas Research**

1424 West Paige Dr.  
Hobbs, New Mexico 88240

(505) 392-7121

May 16, 1997

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

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

Encl.

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