



In Reply Refer To: GE 973E

Mr. Peter E. Salas  
Hoactzin Partners, L.P.  
P.O. Box 16867  
Fernandina Beach, Florida 32035

Dear Mr. Salas:

By letter dated March 30, 2017, Hoactzin Partners, L.P. (Hoactzin) requests a Suspension of Production (SOP) for Lease OCS-G 11984, Ship Shoal Block 159. This lease was held by production, pursuant to 30 CFR 250.180, through April 29, 2017.

Production from Lease OCS-G 11984 ceased on October 31, 2016, when the pipeline operator issued an electronic bulletin board critical notice suspending all flow to the Southeast Louisiana Offshore Lateral (SELA) System. The pipeline operator subsequently issued another critical notice that effective November 21, 2016, only dry gas would be allowed to flow into the SELA, thus further postponing production from Lease OCS-G 11984. After deliberations between the injection lease operators and pipeline operator, the pipeline operator internally approved a remediation solution for handling the injected condensate. Hoactzin requests time for the pipeline operator to execute their solution to allow for the resumption of production from Lease OCS-G 11984.

An SOP for Lease OCS-G 11984 is hereby approved, pursuant to 30 CFR 250.174(b), from April 30, 2017, through April 30, 2018. Hoactzin, or any subsequent operator, is expected to follow the enclosed activity schedule and must notify this office in writing (progress report) by the end of each month that a deadline is scheduled. If you have any questions regarding this matter, contact Mr. Daniel Dauterive at (504) 736-2906 or Daniel.Dauterive@bsee.gov.

Sincerely,

(Org. Signed) **Richie D. Baud**

Richie D. Baud  
Regional Supervisor  
Production and Development

Enclosure

bc: ONRR, FM/RS, (MS 63230B)

1101-02a(3)(b), w/appl & encl (GE 973E)

✓ Lease OCS-G 11984, (GE 555A)

HDE 120

GM 276A

GE 250i

HANAN (GE 973E)