



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

May 2, 1984

Mr. C. Terry Hobbs  
Southland Royalty Co.  
P.O. Drawer 570  
Farmington, NM 87499

Re: Application for Hardship Classification  
Cat Draw #1 M-4-30N-5W

Dear Terry:

The referenced application is being returned unapproved for the following reasons:

- 1) Venting a small amount of gas during swabbing is necessary as part of any swabbing operation, and does not necessarily constitute inefficient and dissipating use of reservoir energy, as the energy is used to remove accumulated liquid.
- 2) There is no showing of permanent loss of productivity.
- 3) You did not explain why small bore has not been used in the well.
- 4) There are no cost figures which show that without relief the well will be prematurely abandoned.
- 5) There is no calculation of reserves lost due to premature abandonment.
- 6) Water production is not shown.
- 7) The required plat is lacking.
- 8) Will shut-in period of less than thirty days prevent logging off?

If you have any questions, please contact this office.

Sincerely,

Frank T. Chavez  
District Supervisor

FTC/dj

xc: Joe Ramey  
Well File ✓