

505/395-3056

ALPHA TWENTY-ONE PRODUCTION COMPANY

POST OFFICE BOX 1206 JAL, NEW MEXICO 88252

June 12, 1984

Ca40 8253

Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87501

ATTN: Mr. Joe Ramey

RE: Justis "BC" Federal Com No. 2 Sec. 25, T-11-S, R-37-E, Lea County, New Mexico

Gentlemen:

Enclosed for your review and approval, please find our Application for Classification as a Hardship Gas Well on the above referenced well.

To support our request for the Hardship Classification, we can examine the volume of water this well produces. We installed pumping unit equipment to alleviate our problem with the average production of 10 BWPD. Taking into consideration the low bottom hole pressure of the well and the amount of water entering the wellbore during a shut-in, it would be likely that this build-up of water could kill the well. In the event that the well was killed, the water build-up would log the formation causing serious damage due to the lithology of the formation, thus causing premature abandonment of scale precipitation causes our downhole equipment to corrode and eventually have to be replaced. The average cost for us to get the well producing normally after a shut-in would be approximately \$1500.00 including the cost of repairing the amount of gas reserves lost due to premature abandonment would be 476 MMCF if premature abandonment was allowed to happen.

To prevent this waste and protect our correlative rights, we would, therefore, request administrative approval to produce this well at it's present rate or at least the minimum rate of 250 MCF per day and given the circumstances and problems we have had with this well, that our Application for Classification as a Hardship Gas Well be approved.

Application for Hardship Gas Well Classification June 12, 1984 Justis "BC" Federal Com No. 2 -Page 2-

Also find for your review and records the following supportive information:

- 1) Ownership map
- 2) Wellbore sketch
- 3) Production history of well
- 4) C-102
- 5) Copy of letter to offset operators
- 6) Certified statement

If you desire any further information, please contact me.

Sincerely,

Michael U. Michael D. Oney,

Drilling Superintendent

MDO/tic Enclosures

cc: Oil Conservation Division P.O. Box 1980 Hobbs, NM 88240 ATTN: Mr. Jerry Sexton El Paso Natural Gas Company P.O. Box 1492 El Paso, TX 79978 ATTN: Mr. Harvey Rodman Offset Operators: Apollo Oil Company P.O. Box 1737 Hobbs, NM 88240

> Arco Oil & Gas Company P.O. Box 1710 Hobbs, NM 88240

Cities Services Oil & Gas Corp. P.O. Box 1919 Midland, TX 79702

Conoco, Inc. P.O. Box 460 Hobbs, NM 88240

GulfOil Corporation P.O. Box 670 Hobbs, NM 88240

Exxon Corporation P.O. Box 1600 Midland, TX 79701

Alpha Twenty-One Production Company 2100 First National Bank Building Midland, TX 79701 ATTN: Mr. Tom Phipps

Hartman, Doyle 508 C & K Petroleum Building Midland, TX 79701

Mobil Producing Tex & NM Inc. 9 Greenway Plaza, Suite 2700 Houston, TX 77046

Sun Exploration & Production Co. P.O. Box 1861 Midland, TX 79702

Texaco, Inc. P.O. Box 728 Hobbs, NM 88240

Union Texas Petroleum Corp. 1300 Wilco Building Midland, TX 79701

U-F Petroleum Inc. One Marienfeld Place, Suite 580 Midland, TX 79701

		APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELL						
Opera	ator A	lpha Twenty-One Production Company Contact Party Michael D. Oney						
Addre	ess <u>P</u>	0. Box 1206 Jal, New Mexico 88252 Phone No. 505-395-3056						
Lease	Just	is BC Federal Com Wello. 2 UT H sec. 11 TWP 25 South RGE 37 East						
Pool	Name	Justis Glorieta Minimum Rate Requested 250 MCFPD						
Trans	spol.	Mame El Paso Natural Gas Company Purchaser (if different)						
Are y	Are you seeking emergency "hardship" classification for this well? <u>X</u> yes no							
		must provide the following information to support his contention that the subject ifies as a hardship gas well.						
v F	Provide a statement of the problem that leads the applicant to believe that "underground waste" will occur if the subject well is shut-in or is curtailed below its ability to produce. (The definition of underground waste is shown on the reverse side of this form)							
		ent that you as applicant have done all you reasonably and economically can do to mate or prevent the problem(s) leading to this application.						
	a) 1	Well history. Explain fully all attempts made to rectify the problem. If no attempts have been made, explain reasons for failure to do so.						
		Mechanical condition of the well(provide wellbore sketch). Explain fully mechanical attempts to rectify the problem, including but not limited to:						
		 the use of "smallbore" tubing; ii) other de-watering devices, such as plunger lift, rod pumping units, etc. 						
		nt historical data which demonstrates conditions that can lead to waste. Such data d include:						
	a) Permanent loss of productivity after shut-in periods (i.e., formation damage).							
	b)	Frequency of swabbing required after the well is shut-in or curtailed.						
		Length of time swabbing is required to return well to production after being shut-in.						
	d)	Actual cost figures showing inability to continue operations without special relief						
		ilure to obtain a hardship gas well classification would result in premature onment, calculate the quantity of gas reserves which would be lost						
	5) Show the minimum sustainable producing rate of the subject well. This rate can be determined by:							
	a)	Minimum flow or "log off" test; and/or						
		Documentation of well production history (producing rates and pressures, as well as gas/water ratio, both before and after shut-in periods due to the well dying, and other appropriate production data).						
	5) Attach a plat and/or map showing the proration unit dedicated to the well and the ownership of all offsetting acreage.							
	Submit any other appropriate data which will support the need for a hardship classification.							
	If the well is in a prorated pool, please show its current under- or over-produced status.							
	Attach a signed statement certifying that all information submitted with this application is true and correct to the best of your knowledge; that one copy of the application has been submitted to the appropriate Division district office (give the name) and that notice of the application has been given to the transporter/purchaser and all offset operators.							

EXHIBIT "B"

.

______ ____

CASE NO. 8077

ORDER NO. R-7453

and a second and a second and a second se

1) Definition of Underground Waste.

"Underground Waste as those words are generally understood in the oil and gas business, and in any event to embrace the inefficient, excessive, or improper use or dissipation of the reservoir energy, including gas energy and water drive, of any pool, and the locating, spacing, drilling, equipping, operating, or producing, of any well or wells in a manner to reduce or tend to reduce the total quantity of crude petroleum oil or natural gas ultimately recovered from any pool, and the use of inefficient underground storage of natural gas."

- 2) The only acceptable basis for obtaining a "hardship" classification is prevention of waste with the burden of proof solely on the applicant. The applicant must not only prove waste will occur without the "hardship" classification, but also that he has acted in a responsible and prudent manner to minimize or eliminate the problem <u>prior</u> to requesting this special consideration. If the subject well is classified as a "hardship" well, it will be permitted to produce at a specified minimum sustainable rate without being subject to shut-in by the purchaser due to low demand. The Division can "escind approval at any time without notice and require the operator to show cause why the classification should not be permanently rescinded if abuse of this special classification becomes apparent.
- 3) The minimum rate will be the minimum sustainable rate at which the well will flow. If data from historical production is insufficient to support this rate (in the opinion of the Director), or if an offset operator or purchaser objects to the requested rate, a minimum flow ("log off") test may be required. The operator may, if he desires, conduct the minimum flow test, and submit this information with his application.
- 4) If a minimum flow test is to be run, either at the operator's option or at the request of the Division, the offset operators, any protesting party, the purchaser and OCD will be notified of the date of the test and given the opportunity to witness, if they so desire.
- 5) Any interested party may review the data submitted at either the Santa Fe office or the appropriate OCD District Office.
- 6) The Director can approve uncontested applications administratively if, in his opinion, sufficient justification is furnished. Notice shall be given of <u>intent to approve</u> by attaching such notice to the regular examiner's hearing docket. Within 20 days following the date of such hearing, the affected parties will be permitted to file an objection. If no objection has been filed, the application may be approved.
- 7) Should a protest be filed in writing, the applicant will be permitted to either withdraw the application, or request it to be set for hearing.
- 8) An emergency approval, on a temporary basis for a period not to exceed 90 days, may be granted by the District Supervisor, pending filing of formal application and final action of the OCD Director. This temporary approval may be granted only if the District Supervisor is convinced waste will occur without immediate relief. If granted, the District Supervisor will notify the purchaser.
- After a well receives a "hardship" classification, it will be retained for a period of one year unless rescinded sooner by the Division. The applicant will be required to certify annually that conditions have not changed substantially in order to continue to retain this classification.
- 10) Nothing here withstanding, the Division may, on its own motion, require any and all operators to show cause why approval(s) should not be rescinded if abuse is suspected or market conditions substantially change in the State of New Mexico.
- 11) A well classified as a "hardship well" will continue to accumulate over and under production (prorated pools). Should allowables exceed the hardship allowable assigned, the well will be permitted to produce at the higher rate, if capable of doing so, and would be treated as any other non-hardship well. Any cumulative overproduction accrued either before or after being classified "hardship" must, however, be balanced before the well can be allowed to produce at the higher rate.

5	o morrante a morrante	Johnson Uock	Fristoe US Fristoe Dual	MI Clyde V Sooper (5)	101	Stote
Cro. 8 A.4	E.Pase Hullips	Exxon Tr. 12 Westbrook		Gulf 6A.Smith	22 23 mm 24 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	45 Amore 16 27 44 16 (00)
6 18 714 100 M	AND THE PARTY AND A CONTRACT OF THE PARTY AND A CONTRACT O	FER.) Ameroda	N.T. N.F.Z.	GREATTY (CPER)	455 Etherh Oll 10186 2 (0125) 49 H1/(5 (0125)	(Pan Amer) se
Reading	BUTERONCHUT33	142 I'm Covilla Ameroda	Friston Und The State St		(E.i.off - int sale HAG 50 int si (C.Hall) - the set red 50 int si C.Hall	• 10 27 53 10 4
(00) . * '		Reserve OE.G	L. PORKET, IT. JEKOCO 1. 4A 3 (Duo) Glar Disc 20: 05700 (4) 1. 5000 (1) Glar Disc 20: 07 00 1. 5000 (1) Glar Disc 20: 00 1. 5000 (3 (●3	66 65 65 64 • 34 0 35 64 mickacojeta	63 Berskeriger Grei Setty Gurth
LR CO 14 O LRICHE M	Trion work and a s s s s s s s s s s s s s s s s s s	163 16.7 6 Ati. Rich. 165 16 6 Reading 6 Bate 06 16 - 6 2 0164 1	USERVIN LATIN AND LAT	())+();20) ()*();F();F(2)(50(F)) 5;F(-);B(4);C(-);F(-);F(-);F(-);F(-);F(-);F(-);F(-);F		**************************************
37 4 38	Terro de la servicio da remonito a servicio de la s	Mobil ¹ 2 3 4 5 4	Service in the Shell's and the	Church Romsey Store	March elamon (here of a sin all	ation of the and the states
B 45		Husky) Mabil Creat A A 077597	6 Juni A.R.Co. Der Oter Traine un 188 Duci A.R.Co. Der Oter Traine un 1 chor O to 5.	To 236	A Contract 22 In Art Birth	
1) Pase Net		HUMRHREY ON.	107 Cun. Triple B 2313 2 . South C 103 Cult States	Device - Sartson	H.B.P. 330 B. 9521 E-5015	
	rionled (1 exas 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1	MOBIL 28	Command Dr 9 - 4 Cont - 2 Exxert 4 cs Exxert 4 public 3 92	A 2 Service	fen son an finnen an finne	All Interference
14 43 140 MCD 2 Harringo	62 12 Sun Burleson - 11 Harris and 15 June 19 Stars - 11 Harris and 15 June 19 Stars	anith Provins Pro OPER 75 at 1. herty ↓ ↑ 10 1 01 23 Augustics 20 avgri ↓ 10 1 01 23 Augustics	106 2.01 2.87 1/19 0 3 1/19 1/20 106 2.01 2.87 1/19 0 3 1/20 107 1/20 1/20 1/20		05×9 1/5,40	7.433 (J
Sun 🔹	I Union Li Poso 76 Tex. Not Not	1(x Pac) 125 w Gulf 126 m 1 3(a) 10 1515 112 - 1000 11 3(a) 14 113 - 1000 11	State Justis St Guit Budt 6 Alican	Auro 17 A R Co. WN G'R	Blocker Brox. S	rahiora (S raina she Culber
101 78 ●	Union 14629 4355 7790 Tex. Citrart (Allied) 3354 4 4354 1 Union (Steen) 3354 4	STUART LANG-	Stuart Unighter Petit Tayn Attracty	F425 15 18- Tps Enc 	Traneco M 5P 0569 R. mase Morth	10 10 20 10 20 10 10 0 10 10 10 10 10 10 10 10 10 10 10 10 10 10 10 10 1
	Start Longie Prichard	GULF (OPER.)	113 STUDI Completion	Stop An Bual - 2 Estur, NE	OCT - sold U.S. MI	Tenses NBP OSGY
543 0 DO	(a) with the start of the start	PonAmeriza 122 121	Gual Chief C	(anishing the second se	3.4 4070 r Liner 5.403 Musc 848.54 Str. 184.53 Str. 184.53 Drack 7.9 dz	Ginsberg 0559
US CONSTRUCT	et Fed (standind)		2340 45 Larr Halls of Cost a	₩ ⁸ Due!	[2] A 12 44	C.S., MI
	12 0 12 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Amoro Mohil	meroda al 2 PA terrola iA	Unight Tex Per Start Start	Blocker Elron, etcl	J Croxtord, 15
PCHSun ♥ ↓↓ ↓ strate ↓ strate	LANGLIE MATTIX ON	America Struct	Mobily WN ApoleOil Law ApoleOil Casts Ta TEPARA	The Cooling T/A	5	1rm 1710 0349
	UNIT MOBIL OPER	S. Longe 15 . R Stug-t	Stuart" Applied	Carlson Roby Carlson Ellockor Finder & Carlson S Duel & Li Mas Duel Carlson	A TESS25 COUNT State Mil. ↓ TESS25 EL Selby Stal.MI.	i
n:onter Pei 'A :on:⊕92 '4 5 9 5 4	JAL UNIT	El Paso Vel 3" Hendrix Sulf 20 HTCH 05466	6 El Paso El Paso Nol, 1 2 An 1 AR.Co Amoco bajos 2 Pi (96) 6 Contrato	12 Gulf 2 d MARizon 6 10 FB4 - 5 B4 - 6 FB4 - 7 FB4 -	Getty Cil	New West A E Me Bit Re 7- A M
-05-27	RESERVE OIL Ver	Led Fridhard 39 2x TOPES 21 Fed 39 -2 7 0 1 1 WB Hall Eligent	Long Te Frait Longlie UninnTex Uninn Ter 27 Longhe Ter Pacific (Dua)	Construction Construction Construction Construction of the Construction Construction Construction Construction Construction (Construction Construction Construction)	V Hiwest Droot Willie Strington 1 1 1 73 VILLE Strington 1 1 73 VILLE Strington 1 2 1 74 VILL	cüatice] Mrt. 3. Will.
	Mena Bettis etai (A.R.Ja)	A.R.Co. Burlesset Mobil 1722 Huff 1 2 and 20 1722 Huff 1 2 and 2	A.R.Co. Tex. Pocific, etai	A.R.Co WN (MO) B	PB.orker Bros	Blocker Bros. U. Trow
	The Surrey Stranger	UEXXXXX BUT COMMAN AND	Cit Server Twimberig Bud		3 NCT-4 Despise Tenneco Duol Tra Tasagasatt dep	10 3890 \$Skelly
	Final Tennecs Slave 1 DATE Conson (S) Slave 1 DATE Conson (S) Shart Lineton	Service	35 And Prich 10 500 - 10 100 - 3 And Prich 10 500 - 3 O 111 - 500 - 500 - 3 Control - 500 - 500 - 500 - 500 - 3 Control - 500 -	SOM THE HEAD AND AND AND AND AND AND AND AND AND A	C.E V.S., Mr	Farnest Echols, etc. A. E. Hair (n) wow & Will
con Bur d	Children (S) Start Stratt	Jil Devol Burrison Burles	AR CO TOTAL	Ameroda: Turcal a utationale? '8 4		20 * 8 ***
	Burles netter to the start of t	And Dr. to Arrow to 3700 Horrison Indiap Krist Conternation Conternation Indiap Krist Read 2 Horse 1 of Feature (063281 History 8158 1 523 WA	Union Internation La Hassocia Due Union EPess per La Santes Due Union International Internation International Applications Internation International International Internation Marrisen Joyne Willis ISJ Carl Pro	A model Systems	y Votilieri,enfrod (54) B 10 a. Server Union Tex Pot 20 a. Server Union Tex Pot 20 a. Server Starfington 20 a. Blocker, Bros., 5 34	C.F. Basser I. R.M. Just A. 12 LL H. H. Hartin alliste. Edw. b. M.
ie y (mol) is anender if ans see	Pill Hort" Hadfield Burn sput Huff Cubertian Porteson auto 2000 for a firm of Citiente	ELPOSO And Price Lerro 1	Harrisen Joyce Wills (5) Cert Fro Uerra) TPO: Arrivada	Americal Such States	Blocker Bross, 5	BleckerBrog
1 416 5 H2 5 12 35 5 42 5 2 4 6 7 2 4 7 2 5 7 2 4 7 2 4 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	Ter P2 ()	El Poso And Price Terro	i Dierrad i TPOI Amerada Barrada For Anal D'a Brene Content for Anal D'a Statut (Car Stor Statut) Statut (Statut)	Carl(S) Amaroda Samoda Carl Support Carl	B-9521	Tenseco ∺,8 ≠
A Producting	Motoris Sunderstell	Hour rison Hand Prich 44 Hour rison Texas Har to 344 O32877 Harrison Harrison	Word E. Alstoneter Constant	Stand States (S) States (S) State	Hobber B-10272	Gennar# 0.559 Genseer# ∲' To 3136 U.S. 441
and Huffer	Alles Jord Alles Jock huff	Pacific Marrison 032879 Marrison Pass Nation 27 Fry Pacific 1023879 Hortmani Killerro 1032879 Herron Kes	Aligner age (1) 5 26 Terring here er an Union Tex (1) 5 26 Exot (1) 4 of (2) 20 20 20 20 20 20 20 20 20 20 20 20 20	Attact and a start and a start	(Pon Amer) (Walk (Amoroad)	
H.Co	Alled E Greidy MGF DIR Chemon Fus Ans Che Could Structure	• Feet" US Carlson'	(Imp.Amer.) 54.01 ((Sunray) 2007 mm (TD 7795) 1000 018 25 26 (D/A 11 23 55 2007 018 25 26	Contraction States and	Fe E 497 107011. 1 F 44 20 Coro	Burke D.W. Ju
	And the second s	CINCE N GODER SUR So Colif Pet W) BURSONE HUTE	³ Heary- Wills(3) Carison ² (sunrout Sun L ¹¹ and Burleson Ethernikon (Tenneco)	Unidia Tes de Setal 6-255 Noumb Word Est (S) Carlan Tre Dual OF B.F.		L Taylor REJuir ed Est etal At Juir ce Biocher Bros.
		A.R.Co. 116 - 29 11 + 19 5 10 - 29 11 + 19 5 10 - 28 - 19	(Union Tax) U.S., Art, Diot	Arnotrácnike, ^{Str} Cuol	 S ● Tenneco Queen 0isc. 0569 F480 	GGH +GBLP, B=1732
Siele	Aptin 20% Date J Stanan Lipsto 24 Geo Willie (S)	WeinNati Whion Tex Pet. O'Reserve Gik Dodda OEsG 314	Burreson Union Tex 14 Burreson Union Tex 14 Suntay Sun Tex 14 G.H Cobbs 35	012-1 01 F F F61 ● Cuol 13-F	,e ¹ _6 ,F414	
	Chipan Sun Sun (Control And Ans (Control And Ans (Control And Ans) (Control And Ans)	Ano-Prich Bun Pasts	A A R Ca	12 1 12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Triple 3	32
	Union Sun Sint Statistics Statistics Constant Statistics Statistic	Der 1455 Der 1455 Die 14555 Die 14555 Die 14555 Die 14555 Die 145555 Die 1455555 Die 14555555 Die 14555555555555555555555555555555555555	Sun Unico Text	coyceWillis,is: Pia jiB ∩ 8 98	"Ginsterg-Fed" 8 S MI	State 24 41
<u> </u>	E Page Nor. Gas A.		Cysen Ceopers US.MT	A 22 Agenty 3 h	Evelyn Linzberg, otal, S	In Lingbery, Lindary 1
03	The E Park Nor Gasting The Provide A sector of the Park of the Pa	** · · · · · · · · · · · · · · · · · ·	B-1484 TO 1000 3-243 5 9 4	Gerry Dil 1 049439 8 6	Sinc Disc Filme Disc F240 Maralo Inc	Marata Marato NGP NBP
	EL S'CH Pocific)		K 5166	Sasass Longs Ol Solstan	3 6 0889	0189 0859
	The Post fields	3		Residen Tidewater Batty Sue To Kasa	6 1: 3015 1: 3015	5
°*	12 1345 - Carrosworth	. 5	Colofficient Colofficient Colofficient Colofficient Colofficient Barrier		magise wasel?	u S Tomi i Marcui
4		4 10 100 4 10 1000	1976 Store State 1976 Clyde N Cooper, S	Riggs G.N. Guerrit	 C.S., MI Evelyn Lineberg. 	and a graph of the first of the second secon

WELL CATION AND ACREAGE DEDICATION

× • • • •

AT

Superseder C-11d Etternive 1-1-55

		All dants	ances must be f	trom the	outer boundaries of	the Section		
Alpha 21 Production Co.				Justis BC Federal Com			Well 1.5	
H	Section 11	Township 25	South	5	37 East	County Leð		
	ration of Well:	Horth	line mid	990	(a.	e in mithe East	line.	
3152.S		Formation Drieta		Pool Jus	stis Glorieta	1	Dedicated Alice	320

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

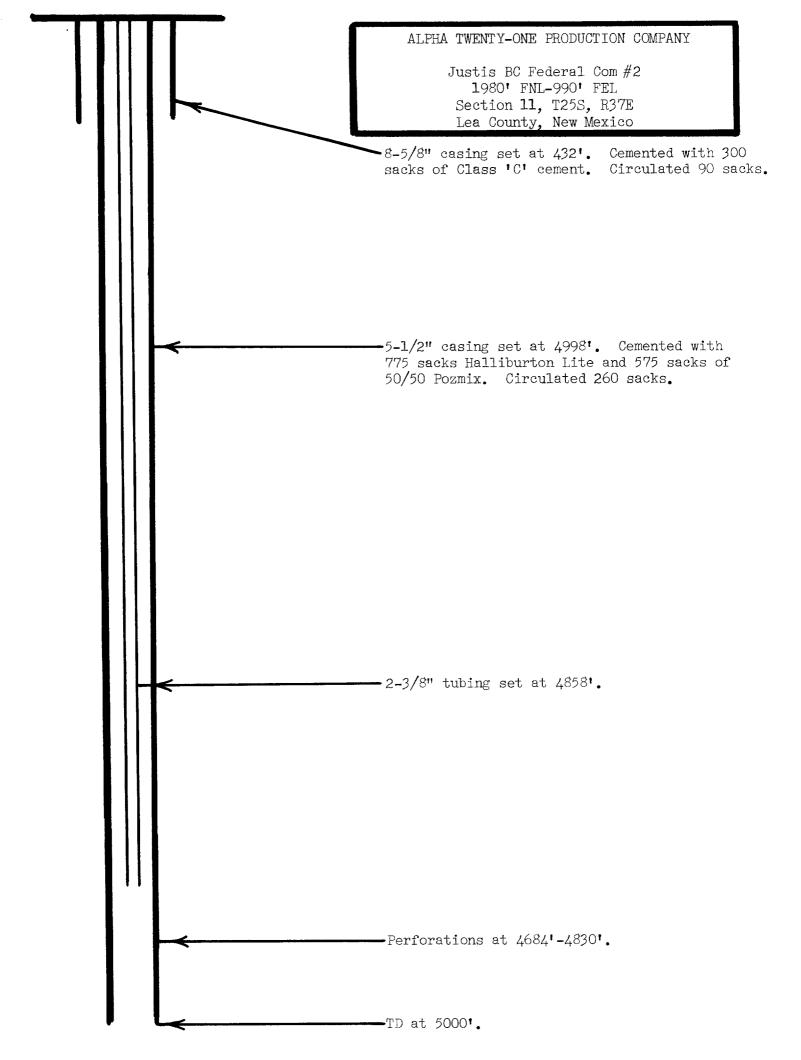
- 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling.etc?

X Yes No If answer is "yes?" type of consolidation <u>Communitization</u>

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)______

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

1		CERTIFICATION
		I hereby certify that the information con- tained herein is true and complete to the best of my knowledge and belief
NE/4 +		fommy Phipps
Alpha Twenty-One Production Co 100% W. I. (Gas Rights) United States of America		Executive Vice President
12 ¹ ₂ % R. I.		Alpha Twenty-One Production C
		rebruary 18, 1981
		is as a first of a start transfer a shift of this distributes of the transfer a notes of actual surveys mode by me or under my supervision and that the same is true and correct to the best of my s showledge and belief
<u>SE/4</u> El Paso Natural Gas Company 100% W. I. (Gas Rights) United States of America		
12 ¹ ₂ % R. I.	*	(comparison) (c
	Justis Federal No. 1	1
	2000	станицааны и стал. 1923 РАТНІСК А ПОЧЕНО (1938) Напаст С. С. ч. (1919)





ALPHA TWENTY-ONE PRODUCTION COMPANY

POST OFFICE BOX 1206 JAL, NEW MEXICO 88252

505/395-3056

June 21, 1984

I, Michael D. Oney, certify that all foregoing information submitted with the Application for Classification as Hardship Gas Well on the Justis "BC" Federal Com No. 2, Section 25, T-11-S, R-37-E, Lea County, New Mexico is true and correct to the best of my knowledge and further attest that one copy of the Application has been submitted to the appropriate Division district office (Oil Conservation Division, P.O. Box 1980, Hobbs, NM 88240), and that notice of this application has been given to the transporter/purchaser (El Paso Natural Gas Company, P.O. Box 1492, El Paso, Texas 79978), and that notice of this application has been given to all offset operators.

Michael D. Oney, Drilling Superintendent



ALPHA TWENTY-ONE PRODUCTION COMPANY

POSITOFFICE BOX 1206 3AL INEW MEXICO 68252

June 12, 1984

505/395-3056

Apollo Oil Company P.O. Box 1737 Hobbs, NM 88240

RE: Justis "BC" Federal Com No. 1, Sec. 25, T-11-S, R-37-E, Lea County, New Mexico

Gentlemen:

As an offset operator, please be informed that we are applying for a Hardship Gas Well Classification for the above referenced well.

Enclosed for your review and records, please fine one copy each of the Application for Classification as a Hardship Gas Well and an ownership map showing the proration unit dedication and ownership of all offsetting acreage.

If you have any questions concerning this application, please direct them to the Oil Conservation Division of New Mexico in Santa Fe, New Mexico

Sincerely, Michael D. Oney,

Drilling Superintendent MDO/tic

Enclosures

cc: Arco Oil & Gas Company P.O. Box 1710 Hobbs, NM 88240 Cities Services Oil & Gas Corp. P.O. Box 1919 Midland, tX 79702 Conoco, Inc. P.O. Box 460

Hobbs, NM 88240

Exxon Corporation P.O. Box 1600 Midland, TX 79701

Gulf Oil corporation P.O. Box 670 Hobbs, NM 88240

Doyle Hartman 508 C & K Petroleum Building Midland, TX 79701 Mobil Producing Tex & NM Inc. 9 Greenway Plaza, Suite 2700 Houston, TX 77046

Sun Exploration & Production Co. P.O. Box 1861 Midland, TX 79702

Texaco, Inc. P.O. Box 728 Hobbs, NM 88240

Union Texas Petroleum Corp. 1300 Wilco Building Midland, TX 79701

U-F Petroleum Inc. One Marienfeld Place, Suite 580 Midland, TX 79701

Alpha Twenty-One Production Company 2100 First National Bank Building Midland, TX 79701 ATIN: Mr. Tom Phipps

ALPHA TWENTY-ONE PRODUCTION COMPANY Tabulation of Production Justis BC Federal Com #2 NM 4355 Justis Glorieta Lea County, New Mexico

1001 -	Gas MCF	Annual Cumulative	Total <u>Cumulative</u>	Oil Bbls	Annual Cumulative	Total Cumulative
<u>1981</u> 1st.						
8-28-81-						
9-1-81	1,746	1,746	1,746			
October	16,512	18,258	18,258			
November	13,956	32,214	32,214			
December	11,154	43,368	43,368			
1982						
January	9,999	9,999	53,367			
February	1,375	11,374	54,742			
March	9,288	20,662	64,030			
April	11,043	31,705	75,073			
Мау	9,436	41,141	84,509			
June	7,410	48,551	91,919			
July	8,847	57,398	100,766			
August	8,443	65,841	109,209			
September	8,005	73,846	117,214			
October	8,128	81,974	125,342	. 65	65	65
November	7,331	89,305	132,673	70	135	135
December	7,654	96,959	140,327	24	159	159
<u>1983</u>			1/(000		/ -	<u> </u>
January	5,975	5,975	146,302	45	45	204
February	7,131	13,106	, 153,433	19	64	223
March	7,160	20,266	160,593	10	74	233
April	6,552	26,818	167,145	23	97	256
May	6,217	33,035	173,362	17	114	273
June	5,908	38,943	179,270	16	130	289
July	5,485	44,428	184,755	14	144	303
August	5,230	49,658	189,985	15	159	318
September	4,570	54,228	194,555	17	176	335
October	6,657	60,885	201,212	22	198	357
November	11,711	72,596	212,923	102	300	459
December	10,494	83,090	223,417	70	370	529
<u>1984</u>	10 500		000 050	0.7		-
January	10,533	10,533	233,950	27	27	556
February Marah	8,663	19,196	242,613	31	58	618
March	8,923	28,119	25 1, 536	27	85	699
April	8,162	36,281	259,698	26	111	810