



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

February 1, 1988

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

MEMO TO: Vic Lyon
FROM: Jerry Sexton
SUBJECT: Alpha Twenty-One Production Company
El Paso Plant #1-L 32-23-37
El Paso State #1-J 22-23-36
Jalmat Pool Overproduction

Alpha Twenty-One has sent me a copy of a letter from you giving them the equivalent of hardship classification. This letter was dated September 29, 1986, and now we want them to come back in for a hardship hearing.

I have reviewed the order and from the way it was written I feel testimony must have indicated the minimum production to prevent waste would be 60 MCFPD. I would like to recommend that you have someone review the entire history of these wells, including the testimony at the hearing, and then decide what is to be done.

It is my opinion that the Division should not create waste in order to bring paperwork into compliance for the sake of paperwork.

A copy of the September 29th letter is attached.

JS/ed

Attachment

cc: Alpha Twenty-One Production Co.