

DOC# 2584
EXHIBIT# 5
CASE# 8218,19,20,21

APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELLS

Dinero Operating Company
Dublin Ranch Morrow Wells
Eddy County, New Mexico

ITEM NO. 3

3. Assuming that the Big Chief Comm. No. 2 would have produced at 75 percent of its maximum flowing rate of 2.6 MMCFPD, prior to being shut in for lack of a pipe line connection, it would have produced a total of 1.18 BCF more gas than the actual production from that zone. This represents not only a loss of energy reserves, but also a loss of over four million dollars in gross revenue from this one well.

The waste of production from the Big Chief Comm. No. 3 Well is not as dramatic, but still considerable. If production had not been so drastically curtailed in the Morrow zone due to damage occurring while the well was shut in, an additional 416 million cubic feet of gas could have been produced.

The production curves for these wells are also attached, showing the Morrow production and the basis for estimating lost reserves.

The completion history of these two example wells shows that no amount of swabbing or acidizing will return the original rate of production once the damage is done. The wells will not return to normal production if for any reason the formation has been damaged because of encroaching water.

ILLEGIBLE

Dinero Operating Company
Big Chief Comm. No. 2
Dublin Ranch, P.O. Box 77 (Atoka)
Eddy County, New Mexico
N.M. # [illegible] 17086
El Paso Natural Gas Permiian
T.D. 12,740, PBD 12,021

1,000,000

100,000

Marrow
Completion
(C.A. 70)

ESTIMATED PRODUCTION FROM 1970 THROUGH 1987

1970-1979 1980-1981 1982-1983 1984-1985 1986-1987

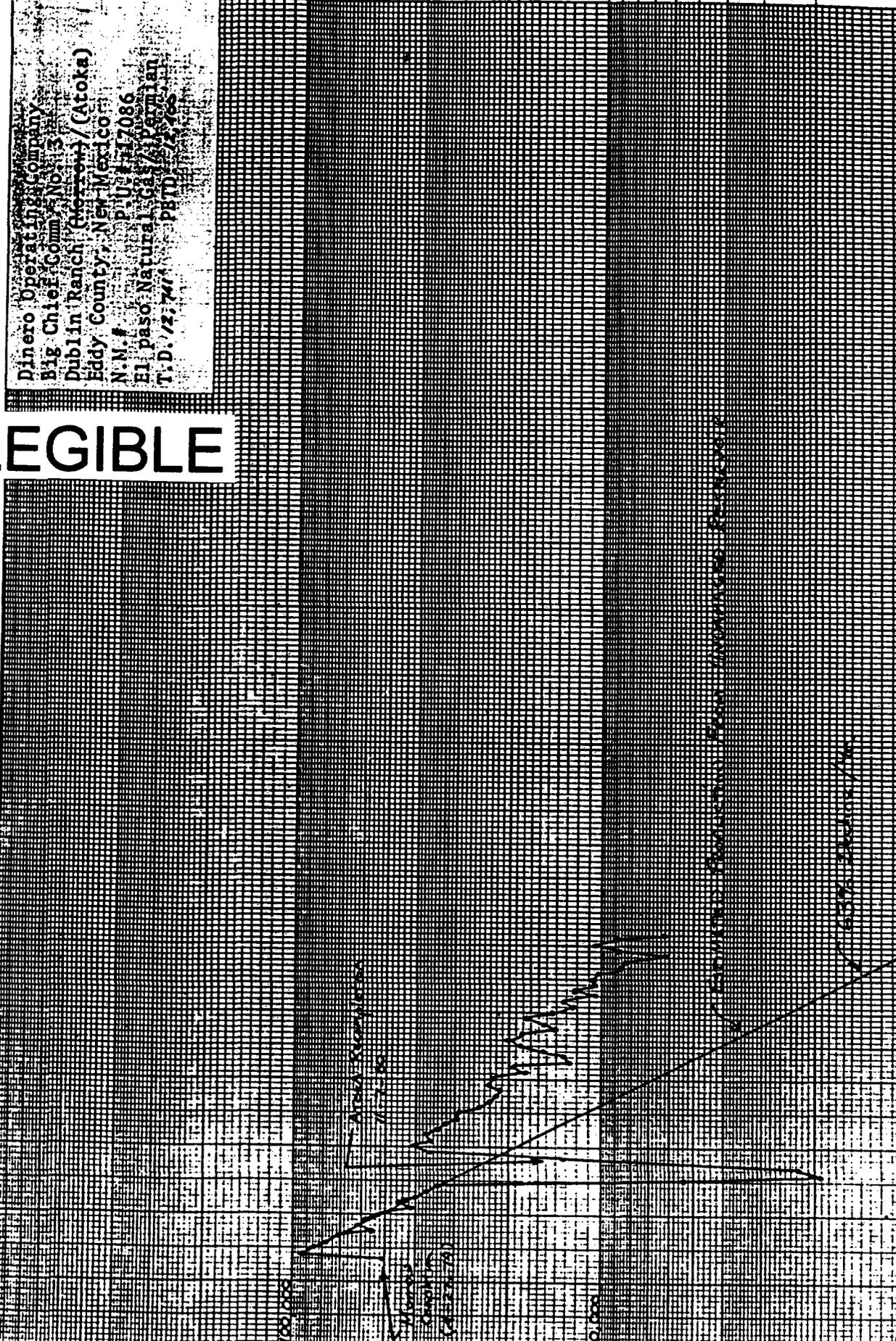
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19_70_ 19_71_ 19_72_ 19_73_ 19_74_ 19_75_ 19_76_ 19_77_ 19_78_ 19_79_ 19_80_ 19_81_ 19_82_ 19_83_ 19_84_ 19_85_ 19_86_ 19_87_ 19_88_ 19_89_ 19_90_ 19_91_ 19_92_ 19_93_ 19_94_ 19_95_ 19_96_ 19_97_

ILLEGIBLE

Dinero Operat... Company
Big Chief Comm... No. 3
Dublin Ranch (Company) / (Atoka)
Eddy County, New Mexico
N.M. # ...
El Paso Natural Gas Company
T.D. 12,741 (BPT) 12,742

1000.000



19-78	19-79	19-80	19-81	19-82	19-83	19-84	19-85	19-86	19-87	19-88	19-89	19-90	19-91	19-92	19-93	19-94	19-95	19-96	19-97
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