

Exhibit 1

APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELL

Operator Doyle Hartman Contact Party Michelle Hembree
Address Post Office Box 10426, Midland, TX 79702 Phone No. (915) 684-4011
Lease South Empire St. Well No. 1 UT M Sec. 24 TWP 17S RGE 28E
Pool Name Empire Morrow, South Minimum Rate Requested 420 mcfpd
Transporter Name El Paso Natural Gas Co. Purchaser (if different) _____

Are you seeking emergency "hardship" classification for this well? XXXX yes _____ no

Applicant must provide the following information to support his contention that the subject well qualifies as a hardship gas well.

- 1) 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)
- 2) Document that you as applicant have done all you reasonably and economically can do to eliminate or prevent the problem(s) leading to this application.
 - a) Well history. Explain fully all attempts made to rectify the problem. If no attempts have been made, explain reasons for failure to do so.
 - b) Mechanical condition of the well (provide wellbore sketch). Explain fully mechanical attempts to rectify the problem, including but not limited to:
 - i) the use of "smallbore" tubing; ii) other de-watering devices, such as plunger lift, rod pumping units, etc.
- 3) Present historical data which demonstrates conditions that can lead to waste. Such data should 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.
 - c) 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
- 4) If failure to obtain a hardship gas well classification would result in premature abandonment, 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
 - b) 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).
- 6) Attach a plat and/or map showing the proration unit dedicated to the well and the ownership of all offsetting acreage.
- 7) Submit any other appropriate data which will support the need for a hardship classification.
- 8) If the well is in a prorated pool, please show its current under- or over-produced status.
- 9) 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.

GENERAL INFORMATION APPLICABLE TO HARDSHIP GAS WELL CLASSIFICATION

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 prior 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 rescind 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 intent to approve 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 bases 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.
- 9) 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.

APPLICATION FOR CLASSIFICATION AS
HARDSHIP GAS WELL
Doyle Hartman-
South Empire State Com No. 1
S/2 Section 24
T-17-S, R-28-E
Eddy County, New Mexico
Empire Morrow, South Gas Pool

1. Applicant expects that restriction of the gas production rate for the South Empire State Com No. 1 below a minimum of 420 mcfpd will result in "underground waste" (as defined by 1) General Information Applicable to Hardship Gas Well Classification). Such expectation is predicated upon the observation that this well produces water and liquid hydrocarbons at rates of from 6 to 9 bbls per day and, when the gas flow rate is restricted below about 480 mcfpd, liquid-gas ratios begin to anomalously increase and the observed wellhead flowing pressure anomalously decreases (rather than increasing as the rate is decreased, as expected); continuation of these trends will lead to the accumulation of sufficient liquids within the wellbore, so that this well will cease to flow (i.e., the well will "die"), ultimately requiring "swabbing" or "jetting to restore flowing. Since the produced water was originally vaporized in the gas, it is "fresh" (i.e., low in dissolved solids). The Morrow formation has proven to be sensitive to the alteration of the rock fabric in some cases from prolonged exposure to this fresh produced water; in addition, allowing significant volumes of liquid to accumulate within the wellbore and immediately adjacent to the wellbore in the formation can result in loss of relative permeability to gas that may result in permanent loss of productivity of liquids and gas.
2.
 - A) The problem of liquid accumulation within the wellbore cannot be solved by mechanical means because of the depth (completion interval is 10,481'-10,507' in the Upper Morrow "B-4" sand) and the fact that the well would have to be "killed" in order to install any equipment intended to facilitate removal of accumulated liquid from the well. "Killing" the well would probably result in formation damage that the "hardship well" application is intended to alleviate.
 - B) This well has 5½" casing set at 10,750' and cemented with 2190 sacks of cement. The tubing is 2-7/8" O.D. set at a depth of 10,433' without a packer. Gas and liquid are flowed out of the tubing, and flow velocity is critical in preventing fluid from falling back into the well (because of insufficient turbulence to entrain it, so that it can flow out of the well with the produced gas).

3. This well was initially produced in December, 1980. The attached production graph includes the logarithm of the liquid-gas ratio in bbls/mmcf plotted as a function of time. The liquid-gas ratio has remained in the range of 9 bbl/mmcf to 13 bbl/mmcf since September, 1982, with the particular exception of the months of September, October, and November, 1983. During these months, the observed well performance can be summarized as follows:

1983 Month	Production			Liquid/ Gas Ratio
	<u>Gas</u>	<u>Liq. H.C.</u>	<u>Water</u>	
September	12,944	173	16	14.6
October	13,032	176	0	13.5
November	12,606	185	19	16.2

In addition to the noted anomalous increase in liquid-gas ratio during this period, the casing pressure increased as the flow rate was reduced (as expected) while the tubing pressure decreased as the gas rate was reduced, as is anomalous:

<u>1983 Month</u>	<u>Gas Rate mcf/day</u>	<u>Tubing</u>	<u>Casing</u>
August	488	800	1054
September	544	809	1083
October	481	792	1093
November	420	813	1067
December	747	873	1048

These observations of gas flow rate, liquid-gas ratio and casing and tubing pressures all indicate that the well must be allowed to produce a minimum of 420 mcfpd in order that all of the liquids that accompany gas production are removed from the well and are not allowed to accumulate therein.

Additionally, there are demonstrated instances where a Morrow formation producing well was closed in temporarily and, although not producing large volumes of liquids, commercial gas production could not be restored. Such instances of apparently anomalous loss of gas productivity subsequent to shut-in can be demonstrated by the Dinero Operating Company Big Chief No. 3, which is located in Unit J of Section 21, Township 22 South, Range 28 East, Eddy County, New Mexico. Initial production for this well was in May, 1979, and, as shown by the attached production graph, performance was as follows:

<u>Year</u>	<u>Month</u>	<u>Monthly</u>	<u>Cumulative</u>	<u>Monthly</u>	<u>Cumulative</u>	
1979	May	50,577	50,577	94	94	
	June	91,679	142,256	33	127	
	July	84,460	226,716	73	200	
	August	78,053	304,769	5	205	
	September	70,894	375,663	71	276	
	October	54,562	430,225	46	322	
	November	61,379	491,604	48	370	
	December	58,362	549,966	8	378	
	1980	January	53,301	603,267	4	382
		February	40,418	643,685	2	384
		March	45,845	689,530	2	386
		April	40,064	729,594	0	386
May		36,843	766,437	0	386	
June		34,110	800,547	5	391	
July		5,391	805,938	0	391	
August		1,939	807,877	5	396	
September		2,255	810,132	3	399	
October		168	810,300	0	399	

The above data demonstrate that gas production from this well had apparently stabilized at between 1100 mcfpd and 1200 mcfpd in May and June of 1980; the well was shut-in in July, 1980, and, when attempts were made to restore it to production, no comparable rates were produced for the remaining four months of the well life; this case constitutes documentation of the potential risk associated with shutting-in certain Morrow formation gas wells, (even when they do not produce large volumes of fluid).

4. Failure to obtain a hardship well classification could result in substantial loss of otherwise recoverable gas reserves for the Doyle Hartman-South Empire State Com No. 1. The potential loss can be documented as follows:

Estimated Original Gas-in-Place, mmcf (12-80):

Between 1311 and 1420

Estimated Deliverability Projected Gas Recovery Factor,
 Fraction of Original Gas-in-Place: 0.87268

Estimated Ultimate Gas Recovery, mmcf:

Decline Curve Projection: 1239
 Deliverability Projection: 1161

Cumulative Gas Recovery, mmcf at April 1, 1984:
 989.756

Estimated Remaining Gas Recovery, mmcf at April 1, 1984:

Decline Curve Projection: 249.2
 Deliverability Projection: 171.2

5. See 3. above.

DISTRIBUTION	1	
AMTA FE.	1	
ILE	1	✓
S.G.S.		
AND OFFICE		
PERIATOR	1	

RECEIVED
MEXICO OIL CONSERVATION COMMISS.

Supersedes Old
C-102 and C-103
Effective 1-1-65
30-015-22791

OCT 27 1980

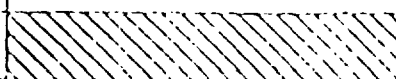
O. C. D.
ARTESIA OFFICE

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO RE-ENTER OR PLUG BACK TO A DIFFERENT RESERVOIR.
SEE APPLICATION FOR PERMIT TO DRILL OR RE-ENTER OR PLUG BACK TO A DIFFERENT RESERVOIR.)



7. Unit Agreement Name

OIL WELL GAS WELL OTHER-

8. Form of Lease Name

DINERO OPERATING COMPANY ✓

316 Chief

9. Well No.

P. O. DRAWER 10505, MIDLAND, TEXAS 79702

3

10. Field and Pool, or Wildcat

UNIT LETTER J 1980 FEET FROM THE South LINE AND 1980 FEET FROM

DUBLIN Ranch (Merrill)

East THE LINE, SECTION 21 TOWNSHIP 22-S RANGE 28-E NMPM.



15. Elevation (Show whether DF, RT, GR, etc.)

3066 GR

12. County

Tddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

EXPERIMENTAL REMEDIAL WORK

PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

TEMPORARILY ABANDON

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

WELL OR ALTER CASING

OTHER

CASING TEST AND CEMENT JOBS

OTHER Attempt to recover production after

shut in

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

The above mentioned well was closed in July 3, 1980, by request from El Paso Natural Gas Company. Their line was pressuring up due to market over long weekend on the West Coast. We opened well back up after the holiday and was unable to get production back. Swabbed well, and not able to recover production - acidized well by Western Company 7/23/80 with 3500 gals of 7 1/2% acid in attempt to clean up. Swabb load back. Well is not commercial. Plans are to plug back to Atoka zone.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

J. C. McCune

Field Superintendent

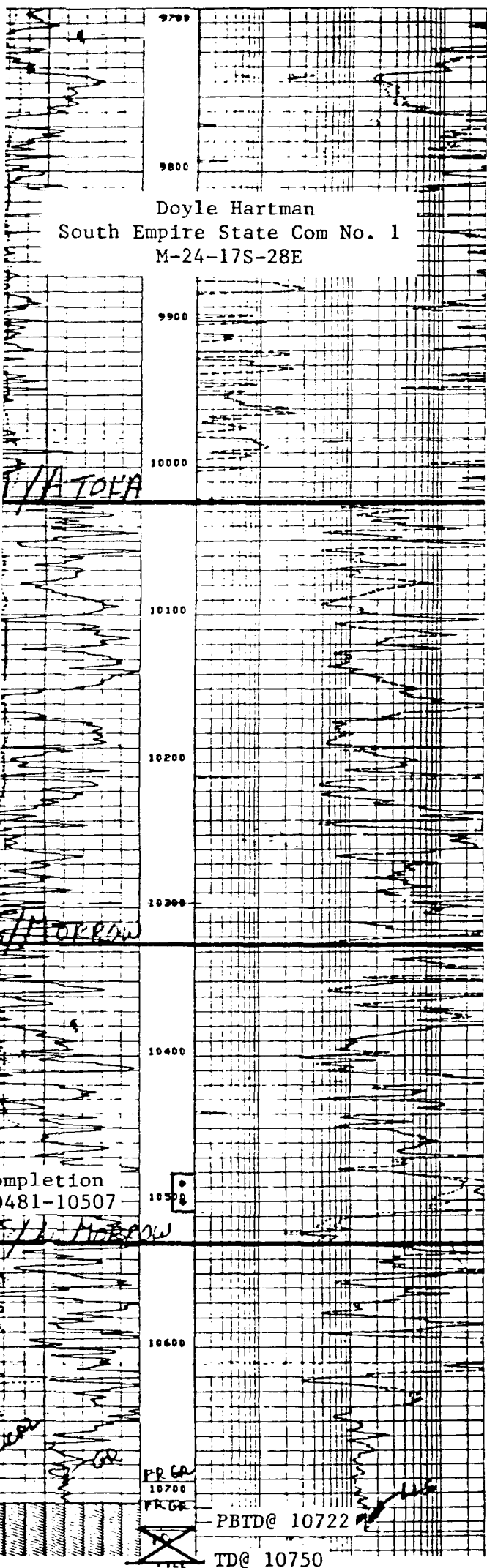
10-24-80

W. A. Gressett

SUPERVISOR, DISTRICT II

OCT 29 1980

CONDITIONS OF APPROVAL, IF ANY:



COMPL. _____

WELL South Empire State Com. No. 1

FIELD Empire South Morrow

LOCATION 800 FSL & 1000 FWL (M)
Section 24, T-17-S, R-28-E
(17-28-24-M)

COUNTY Eddy

STATE New Mexico

ELEVATIONS: KB 3693
 DF _____
 5-21-84 GL 3681

COMPLETION RECORD

SPUD DATE 8-28-80 COMP. DATE 12-15-80

TD 10750 PBTD 10722

CASING RECORD 13 3/8 @ 504 w/500
8 5/8 @ 2502 w/1750
5 1/2 @ 10750 w/2190

PERFORATING RECORD Perf: 10481-10507 w/54
(Upper Morrow "B-4" Sand) *

STIMULATION A/4000 MFA

IP IPF = 1870 MCFPD

GOR _____ GR _____

TP 1740 CP 1870

CHOKE 12/64 TUBING 2 7/8 @ 10465

REMARKS RFT 10487-10504: Performed five
open hole wireline pressure tests
with final buildups ranging from
4553 to 4989 psi.

3-31-84 Cum Prod: 989.8 MMCF
12.5 MBO
594 BW

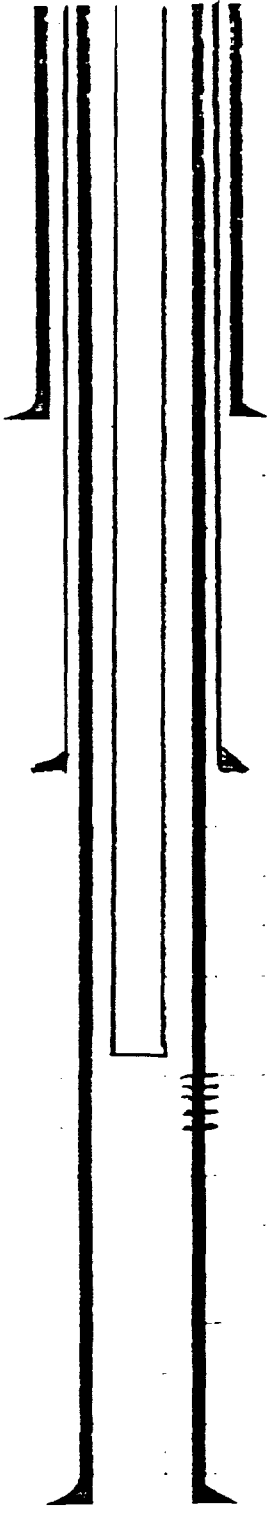
1984 Avg Prod: 553 MCFPD
6 BOPI

*Same Upper Morrow "B-4" Sand that
is producing in the HAYCO SEDU
No. 13 located N-30-17-29.

Current tubing depth: 10433

M-24-17S-28E

WELLBORE SKETCH
SOUTH EMPIRE STATE NO. 1



13 3/8" Set at 504'
Cement 500 Sacks

8 5/8" Set at 2,502'
Cement 1,750 Sacks

2 7/8" EUE Tubing
Set at 10,433'

Perforated Interval: 10,481-10,507

5 1/2" Set at 10,750'
Cement 2,190 Sacks

Gas Production M F/mon'

Liquids/Gas Ratio: BBL/MMCF



Field: Empire Morrow, South
 Operator: Doyle Hartman
 Well: South Empire No. 1
 Location: M-24-17-28
 County: Eddy
 State: New Mexico
 Date Prod. Began: 1-81
 Acres:

WATER PRODUCTION-BBL/MO.

1000
10000
100000
1000000

100 bbl
1000 ps

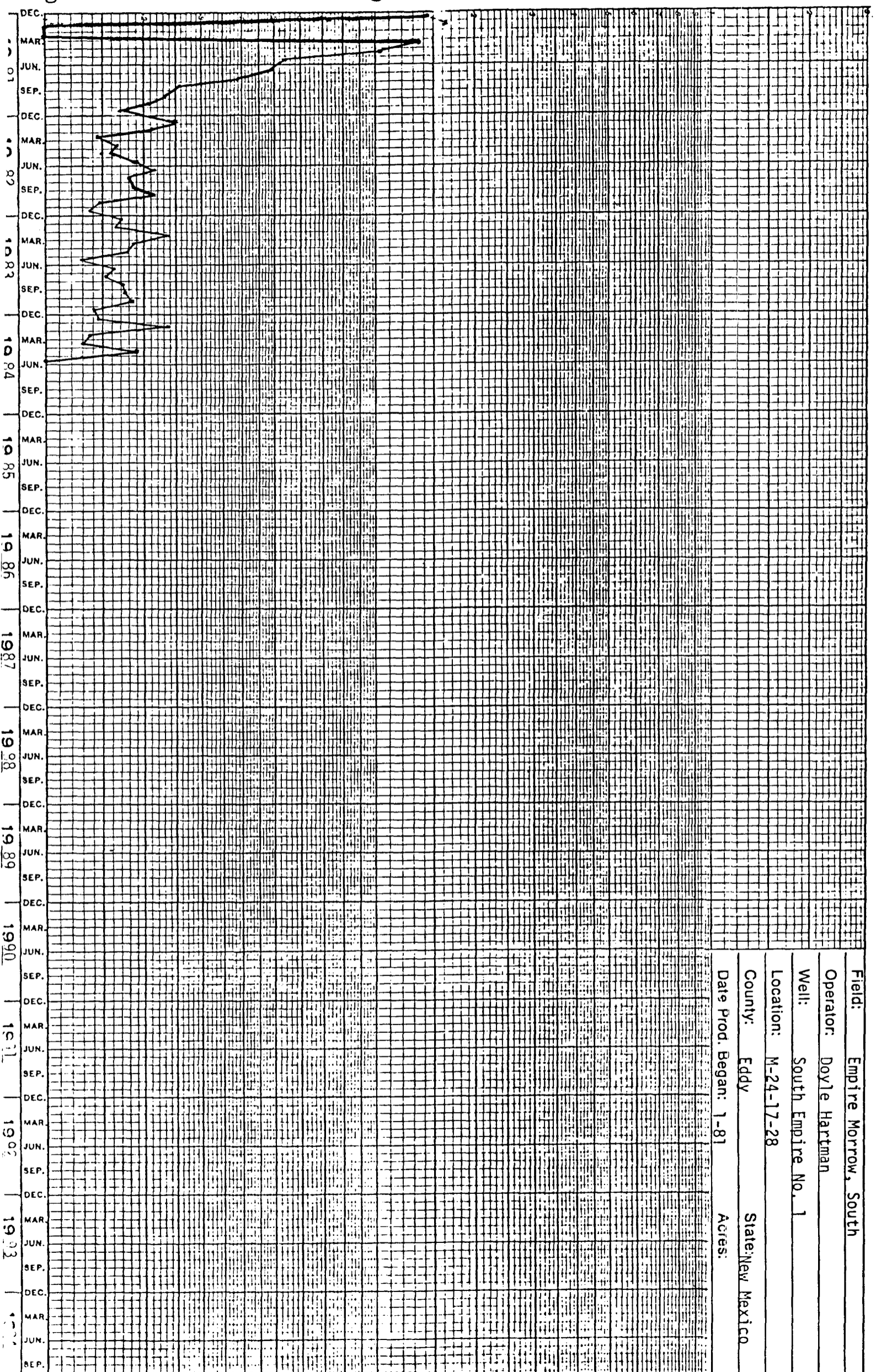
DEC. 1981
MAR. 1981
JUN. 1981
SEP. 1981
DEC. 1981
MAR. 1982
JUN. 1982
SEP. 1982
DEC. 1982
MAR. 1983
JUN. 1983
SEP. 1983
DEC. 1983
MAR. 1984
JUN. 1984
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MAR. 1985
JUN. 1985
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MAR. 1986
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MAR. 1987
JUN. 1987
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DEC. 1987
MAR. 1988
JUN. 1988
SEP. 1988
DEC. 1988
MAR. 1989
JUN. 1989
SEP. 1989
DEC. 1989
MAR. 1990
JUN. 1990
SEP. 1990
DEC. 1990
MAR. 1991
JUN. 1991
SEP. 1991
DEC. 1991
MAR. 1992
JUN. 1992
SEP. 1992
DEC. 1992
MAR. 1993
JUN. 1993
SEP. 1993

OIL PRODUCTION (BL/MONTH)

10000

1000

100



SUM: 211,000

Field: Empire Morrow, South

Operator: Doyle Hartman

Well: South Empire No. 1

Location: M-24-17-28

County: Eddy

State: New Mexico

Date Prod. Began: 1-81

Acres:

1984

DOYLE HARTMAN, OIL OPERATOR
YEAR-TO-DATE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

LEASE# METER# PAID OUT 82/01/09 DATE ON STREAM NRI % OPERATOR - DOYLE HARTMAN

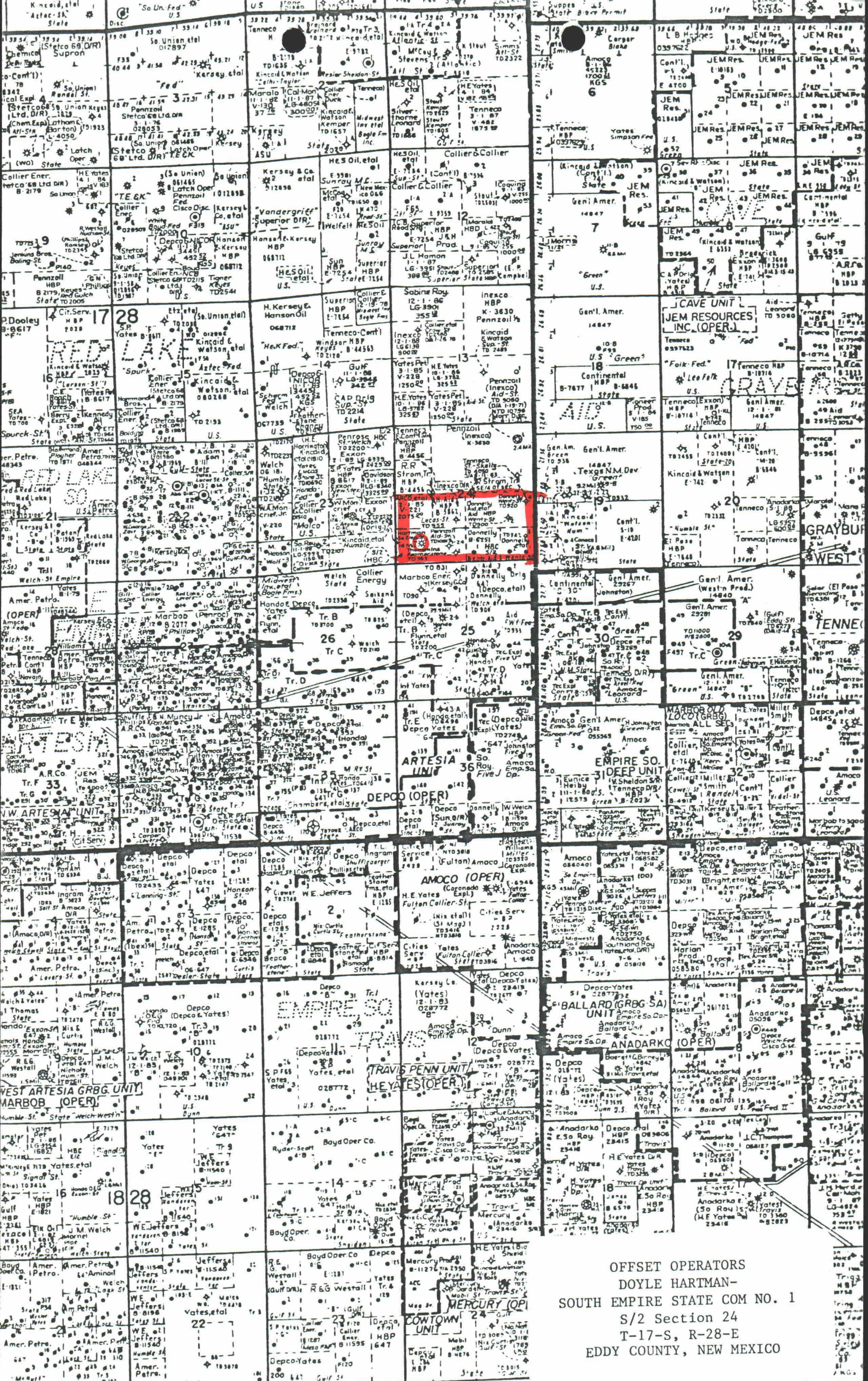
800828	58395	SOUTH EMPIRE STATE COM #1	12/31/80	.32334936	BEFORE PAYOUT	82/01/09	OPERATOR - DOYLE HARTMAN			
				.28283015	AFTER PAYOUT					
			AVG TEMP	BTU FACTOR	BTU	ITD CUME GAS	ITD CUME OIL	AVG TP	AVG CP	DAYS SHUTIN
JANUARY	15745	146.99	71	.9992	1175	955211	12154.23	923	1115	
FEBRUARY	19813	237.35	72	.9991	1175	975024	12391.58	836	1028	
MARCH	14732	134.33		.9991	1175	989756	12525.91	777	1049	
APRIL	10291	131.23	75	.9991	1171	1000047	12657.14	762	1070	
MAY	18402	189.53	77	.9989	1171	1018449	12846.67	840	1020	
JUNE	10600	66.96	80	.9989	1171	1029049	12913.63	723	1016	
JULY								754	1009	
AUGUST										
SEPTEMBER										
OCTOBER										
NOVEMBER										
DECEMBER										
YTD 1984	89583	906.39								
ITD	1029049	12913.63								

DOYLE HARTMAN, OIL OPERATOR
 YEAR-TO-DATE PRODUCTION FOR
 VOLUMES CALCULATED AT 15.025 PSIA
 LEASE# METER#
 800828 58395 SOUTH EMPIRE STATE COM #1
 RFIT# 000003
 RUN ON 6/13/84
 DATE ON STREAM 12/31/80
 NRI %
 .32334936 BEFORE PAYOUT
 .28283015 AFTER PAYOUT

MONTH	MCF GAS PRODUCED	BBLS OIL PRODUCED	BBLS H2O PRODUCED	DAYS PRDUN	LP PSIG	AUG TEMP	BTU FACTOR	BTU	ITD CUME GAS	ITD CUME OIL	AVG TP	AVG CP	DAYS SHUTIN
JANUARY	27122	251.30	13.00	31.0					544501	7988.30	819	928	
FEBRUARY	20777	145.89	12.00	25.6					565278	8134.19	800	900	
MARCH	21831	212.30	14.00	30.6					587109	8346.49	805	916	
APRIL	19147	168.15	13.00	30.0					606256	8514.64	848	1039	
MAY	16349	159.23	16.00	31.0					622605	8673.87	852	1070	
JUNE	18428	191.47	18.00	29.5					641033	8865.34	872	1082	
JULY	21713	215.09	18.00	31.0					662746	9080.43	859	1053	
AUGUST	18112	180.62	12.00	31.2					680858	9261.05	817	1039	
SEPTEMBER	19021	187.10	14.00	30.0					699879	9448.15	845	1068	
OCTOBER	17480	213.31	16.00	31.0					717359	9661.46	834	1068	
NOVEMBER	13688	148.05	14.00	30.4					731047	9809.51	858	1108	
DECEMBER	15955	137.06	28.00	30.5					747002	9946.57	893	1130	
YTD 1982	229623	2209.57	188.00	361.8									
ITD	747002	9946.57	439.00	695.0									

OFFSET OPERATORS
 Doyle Hartman-
 South Empire State Com No. 1
 S/2 Section 24
 T-17-S, R-28-E
 Eddy County, New Mexico

<u>OPERATOR</u>	<u>WELL NAME</u>	<u>WELL LOCATION</u>	<u>P. U. DESCRIPTION</u>
Yates	J. Z. Lucas St. Com No. 1	E-23-17-28	N/2 Section 23 T-17-S, R-28-E
Pennzoil	Aid State No. 1	A-24-17-28	N/2 Section 24 T-17-S, R-28-E
General American	Green No. 9-B	G-19-17-29	N/2 Section 19 T-17-S, R-29-E
Conoco	State Com No. 1-19	N-19-17-29	S/2 Section 19 T-17-S, R-29-E
Yates	Empire South Deep No. 18	F-30-17-29	N/2 Section 30 T-17-S, R-29-E
Hondo	BV State No. 2	F-25-17-28	N/2 Section 25 T-17-S, R-28-E
Unknown	No Known Well		N/2 Section 26 T-17-S, R-28-E
Exxon	CY State No. 1	J-23-17-28	S/2 Section 23 T-17-S, R-28-E



OFFSET OPERATORS
 DOYLE HARTMAN-
 SOUTH EMPIRE STATE COM NO. 1
 S/2 Section 24
 T-17-S, R-28-E
 EDDY COUNTY, NEW MEXICO

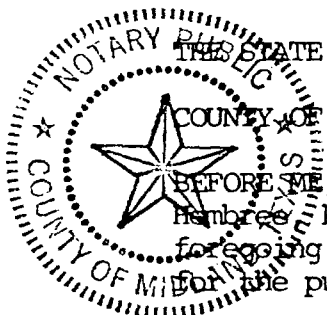
STATEMENT OF CERTIFICATION
HARDSHIP GAS WELL CLASSIFICATION

Doyle Hartman-
South Empire State Com No. 1
S/2 Section 24
T-17-S, R-28-E
Eddy County, New Mexico
Empire Morrow, South Gas Pool

DOYLE HARTMAN, OPERATOR, as required by the State of New Mexico Energy and Minerals Department, Oil Conservation Division, certifies that:

1. All information submitted with this application is true and correct to the best of his knowledge;
2. One copy of this application has been submitted to the Artesia District II Office of the Oil Conservation Division;
3. Notice of this application has been given to El Paso Natural Gas Company, the transporter and purchaser; and
4. Notice of this application has been given to all offset Empire Morrow, South operators.

Michelle Hembree
Michelle Hembree
Administrative Assistant



THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, Notary Public, on this day personally appeared Michelle Hembree, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 21st day of MAY, 1984.

Cindy Sue Harrison
Notary Public

My Commission Expires:
CINDY SUE HARRISON
My Commission Expires Aug. 11, 1987

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

New Mexico Oil Conservation Division
District II Office
Post Office Drawer DD
Artesia, New Mexico 88210

Re: Emergency Hardship Gas
Well Classification
South Empire State Com #1
800 FSL & 1000 FWL (M)
Section 24, T-17-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Please find enclosed one copy of our request before the New Mexico Oil Conservation Division in Santa Fe to administratively classify our South Empire State Com No. 1 well, located 800 FSL & 1000 FWL Section 24, T-17-S, R-28-E, Eddy County, New Mexico as a hardship gas well.

We respectfully request emergency approval of our request for hardship gas well classification on a temporary basis not to exceed 90 days pending final action on our formal application by the OCD Director.

Thank you for your attention to this matter.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

/mh

cc: El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas 79978

Attention: Mr. Paul Burchell
Conservation Engineer

New Mexico Oil Conservation Division
May 21, 1984
Page 2

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas 79978

Attention: Mr. Jim Minnick

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

265 338 113

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
New Mexico Oil Conservation Div
STREET AND NO.
P.O. Office Drawer DD
P.O., STATE AND ZIP CODE
Artesia, NM 88210

POSTAGE	\$ 88
CERTIFIED FEE	75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	60 ¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 2.23
POSTMARK OR DATE	5-21-84

South Empire Hardship / mh

PS Form 3800, Apr. 1976

PS Form 3811, Dec. 1980

SENDER: Complete items 1, 2, 3, & 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered 60¢
 Show to whom, date, and address of delivery .. ¢
 2. RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.) ¢

TOTAL \$ 60

3. ARTICLE ADDRESSED TO:
 NMexico Oil Cons Comm.
 P.O. Office Drawer DD
 Artesia, NM 88210

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 P 265 338 113

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 P. Welch

5. DATE OF DELIVERY: 5/22/84
 POSTMARK: MAY 22 1984

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS: mh

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

South Empire Hardship - KMH

P 265 338 115

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
N.M.O.C.D.
STREET AND NO.
P.O. Box 2088
P.O., STATE AND ZIP CODE
Santa Fe, N.M 87501

POSTAGE	\$ 90
CERTIFIED FEE	75 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	60 ¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 3.25
POSTMARK OR DATE	5-21-84

PS Form 3800, Apr. 1976

South Empire Hardship / mh

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered 60¢
 Show to whom, date, and address of delivery .. ¢
 2. RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.) ¢

TOTAL \$ 60

3. ARTICLE ADDRESSED TO:
 New Mexico Oil Cons. Div
 P.O. Box 2088
 Santa Fe, New Mexico 87501

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 P265 338 115

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 [Signature]

5. DATE OF DELIVERY: [Blank]
 POSTMARK: SANTA FE, NM MAY 22 1984

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

South Empire Hardship - KMH

765 338 095
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO		El Paso Natural Gas Co.
STREET AND NO		P. O. Box 1492
P.O., STATE AND ZIP CODE		El Paso, TX 79978
POSTAGE		\$ 88
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75 c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	60 c
TOTAL POSTAGE AND FEES		\$ 2.23
POSTMARK OR DATE		5-21-84
PS Form 3800, Apr. 1976		SES/Hardship/mh

PS Form 3811, Dec. 1980

● **SENDER:** Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered 60
 Show to whom, date, and address of delivery .. —c

2. **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$.60

3. **ARTICLE ADDRESSED TO:**
 El Paso Natural Gas Company
 P. O. Box 1492
 El Paso, TX 79978

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED P 265 338 095
 CERTIFIED COD
 EXPRESS MAIL

(Always obtain signature of addressee or agent)
 I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 5-23-84 [Stamp: EL PASO, TX DOWNTOWN STA]

6. **ADDRESSEE'S ADDRESS (Only if requested)**

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**

SES Hardship/mh

P 265 338 114
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO		El Paso Natural Gas Co.
STREET AND NO		P. O. Box 1492
P.O., STATE AND ZIP CODE		El Paso, Texas 79978
POSTAGE		\$ 88
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75 c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	60 c
TOTAL POSTAGE AND FEES		\$ 2.23
POSTMARK OR DATE		5-21-84
PS Form 3800, Apr. 1976		South Empire Hardship /mh

PS Form 3811, Dec. 1980

● **SENDER:** Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered 60
 Show to whom, date, and address of delivery .. —c

2. **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 60

3. **ARTICLE ADDRESSED TO:**
 EL PASO NATURAL GAS Co.
 P.O. Box 1492
 El Paso, TX 79978

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED P265 338 114
 CERTIFIED COD
 EXPRESS MAIL

(Always obtain signature of addressee or agent)
 I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 5-23-84 [Stamp: EL PASO, TX DOWNTOWN STA]

6. **ADDRESSEE'S ADDRESS (Only if requested)**

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**

South Empire - KMH



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

TONEY ANAYA
GOVERNOR

May 29, 1984

P.O. DRAWER 00
ARTESIA, NEW MEXICO 88210
(505) 748-1283

Doyle Hartman
P.O. Box 10426
Midland, Texas 79702

District II EHGWC No. 10

Re: Emergency Hardship Gas Well
Classification - South Empire
State Com No. 1-M, Sec. 24,
Twn.17S, Rge.28E
South Empire Morrow Gas Pool

Gentlemen:

Under provisions of Rule 411, you are hereby granted an emergency hardship classification on the above captioned well. This well is not to be produced in excess of 420 MCFD.

In the matter of a permanent hardship classification for this well, it has been set for an examiner hearing on June 20, 1984.

Yours very truly,

A handwritten signature in cursive script that reads "Leslie A. Clements".

Leslie A. Clements
Supervisor, District II

cc: Joe D. Ramey
El Paso Natural Gas Co.
Harold Garcia
Florene Davidson

MAY 30 1984

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 21, 1984

Offset Empire Morrow, South Operators
Doyle Hartman-
South Empire State Com Lease
S/2 Section 24
T-17-S, R-28-E
Eddy County, New Mexico

Please be advised that Doyle Hartman, as operator of the South Empire State Com No. 1 well located 800 FSL and 1000 FWL Section 24, T-17-S, R-28-E, Eddy County, New Mexico has filed with the New Mexico Oil Conservation Division for administrative approval of his South Empire State Com No. 1 well for hardship gas well classification, pursuant to NMOCD Order R-7453.

If you have any questions as to the nature of the application, please do not hesitate to contact us.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

/mh

cc: All Operators Listed on Attached Table

TMAN

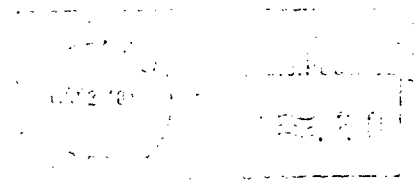
6
79702

OFFSET OPERATORS
SOUTH EMPIRE STATE Conn. No. 1

Yates Petroleum Corporation
Yates Building
207 South 4th
Artesia, New Mexico 88210

TMAN

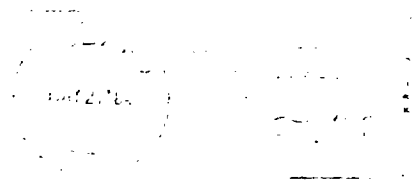
126
5 79702



Pennzoil Exploration & Production Co.
Post Office Box 1828
Midland, Texas 79702

RTMAN

0426
AS 79702



General American Oil Co.
1817 Mission Drive
Victoria, Texas 77901

RTMAN
426
S 79702

OFFSE 1 UPERMIUKO
SOUTH EMPIRE STATE Co. No. 1

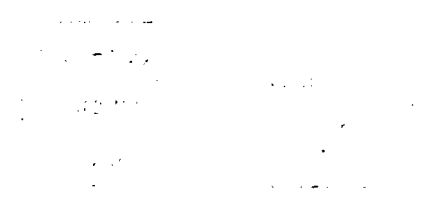
Exxon Company, USA
Attention: J. K. Lytle
Post Office Box 1600
Midland, Texas 79702

RTMAN
10426
AS 79702



Hondo Oil & Gas Co.
Post Office Box 1610
Midland, Texas 79702

RTMAN
10426
AS 79702



Conoco, Inc.
Attention: M. K. Mosley
Post Office Box 1959
Midland, Texas 79702

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 29, 1984

Offset Operators
Doyle Hartman-
South Empire State Com No. 1
S/2 Section 24
T-17-S, R-28-E
Eddy County, New Mexico

Gentlemen:

You were informed by our letter dated May 21, 1984 of our administrative application pending before the New Mexico Oil Conservation Division to classify our South Empire State Com No. 1 as a hardship gas well to be produced at a minimum rate of 420 mcfd.

Although our original application was applied for administratively, the Commission has routinely set all hardship applications for hearing, and the case for our South Empire State Com No. 1 will appear on the NMOCD's docket in the very near future.

We will keep you as an offset operator informed of the status of our application insofar as it applies to you.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

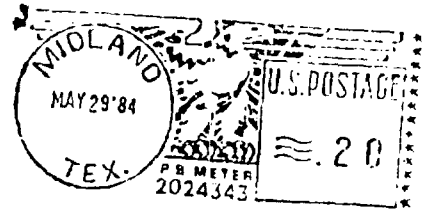
Michelle Hembree
Administrative Assistant

/mh

cc. Mr. William F. Carr

RTMAN

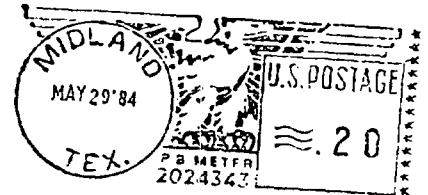
426
S 79702



Pennzoil Exploration and Production Company
Post Office Box 1828
Midland, Texas 79702

RTMAN

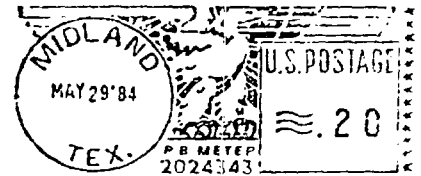
426
S 79702



General American Oil Company
1817 Mission Drive
Victoria, Texas 77901

RTMAN

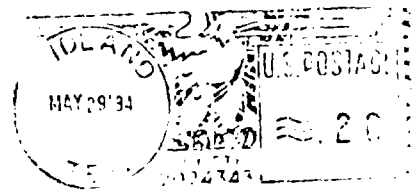
426
S 79702



Conoco, Inc.
Attention: Mr. M. K. Mosley
Post Office Box 1959
Midland, Texas 79702

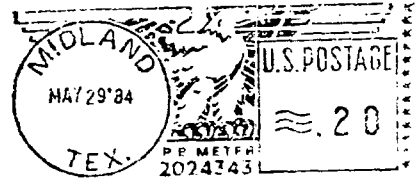
South Empire State Com No. 1

RTMAN
426
S 79702



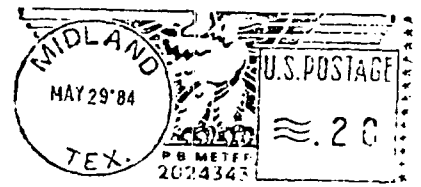
Yates Petroleum Corporation
Yates Building
207 South 4th
Artesia, New Mexico 88210

RTMAN
or
0426
AS 79702



Hondo Oil & Gas Co.
Post Office Box 1610
Midland, Texas 79702

RTMAN
or
0426
AS 79702



Exxon Company, USA
Attention: J. K. Lytle
Post Office Box 1600
Midland, Texas 79702