

HARDSHIP HEARING FILE
Lanille "A" State No. 1
Case No. 8228

HARTMAN

CASE NO. 8228

Submitted by AYCOCK

Hearing Date 7/11/84

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(815) 684-4011

May 8, 1984

New Mexico Oil Conservation Division
District I Office
Post Office Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Re: Emergency Hardship Gas
Well Classification
Langlie "A" State No. 3
SE/4 NE/4 and NE/4 SE/4
Section 36, T-24-S, R-36-E
Lea County, New Mexico
Jalmat (Gas)

Gentlemen:

Please find enclosed one copy of our request before the New Mexico Oil Conservation Division in Santa Fe to administratively classify our Langlie "A" State No. 3 well, located 1980 FSL & 330 FEL (I) Section 36, T-24-S, R-36-E, Lea 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

Land Use "A" State No. 1

May 8, 1964

Page 1

El Paso Natural Gas Company
Post Office Box 1491
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

PS Form 3800, Apr. 1976
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 \$ 0.60

3. ARTICLE ADDRESSED TO:

NMOCD
Post Office Box 2088
Santa Fe, NM 87501

4. TYPE OF SERVICE:

- ☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

P 265 338
093

(Always obtain signature of addressee or agent)

I have received the article described above.

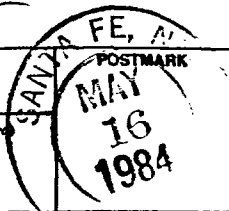
SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS



P 265 338 093

RECEIPT FOR CERTIFIED MAIL

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

SENT TO	
NMOCD	
STREET AND NO.	
Post Office Box 2088	
P.O. STATE AND ZIP CODE	
Santa Fe, NM 87501	
POSTAGE	\$ 1.73
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	CERTIFIED FEE
	SPECIAL DELIVERY
	RESTRICTED DELIVERY
	RETURN RECEIPT SERVICE
	SHOW TO WHOM AND DATE DELIVERED
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	\$ 3.08
POSTMARK OR DATE	
# 5-14-84	
Langlie A State #3 Hardship	

PS Form 3800, Apr. 1976

Langlie A State #3 Hardship

P 265 338 088

RECEIPT FOR CERTIFIED MAIL

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

SENT TO
El Paso Natural Gas Co.
STREET AND NO.
Post Office Box 1492
P.O. STATE AND ZIP CODE
El Paso, Texas 79978

POSTAGE \$ 71

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 \$ 2.06

POSTMARK OR DATE
5-14-84

Form 3800, Apr. 1976

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 ..
2. ☐ **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)
- TOTAL \$ 0.60**

3. **ARTICLE ADDRESSED TO:**

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

4. **TYPE OF SERVICE:**
- ☐ REGISTERED ☐ INSURED
- ☒ CERTIFIED ☐ COD
- ☐ EXPRESS MAIL
- ARTICLE NUMBER**
P 265 338
088

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☒ Authorized agent

5. **DATE OF DELIVERY**

POSTMARK

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

P 265 338 087

RECEIPT FOR CERTIFIED MAIL

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

SENT TO
El Paso Natural Gas Co.
STREET AND NO.
Post Office Box 1492
P.O. STATE AND ZIP CODE
El Paso, Texas 79978

POSTAGE \$ 71

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 \$ 2.06

POSTMARK OR DATE
5-14-84

PS Form 3800, Apr. 1976

Langlie A State No. 3 Hardship

● **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 \$ 0.60

3. **ARTICLE ADDRESSED TO:**

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

4. **TYPE OF SERVICE:**

☐ REGISTERED ☐ INSURED

☒ CERTIFIED ☐ COD

☐ EXPRESS MAIL

ARTICLE NUMBER
P 265 338
087

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

5. **DATE OF DELIVERY**

POSTMARK

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

7. **UNABLE TO DELIVER BECAUSE:**

7a. **EMPLOYEE'S INITIALS**

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Langlie A State No. 3 Hardship

P 265 338 018

PRINT FOR CERTIFIED MAIL

INSURANCE COVERAGE
NOT FOR INTERNATIONAL MAIL
(See Reverse)

NAME

STREET AND NO.

Post Office Box 1980

STATE AND ZIP CODE

Hobbs, New Mexico 88240

POSTAGE

71

CERTIFIED FEE

75

SPECIAL DELIVERY

RESTRICTED DELIVERY

SHOW TO WHOM AND
DATE DELIVERED

60

SHOW TO WHOM, DATE
AND ADDRESS OF
DELIVERER

SHOW TO WHOM AND DATE
DELIVERED WITH RESTRICTED
DELIVERY

SHOW TO WHOM, DATE AND
ADDRESS OF DELIVERER WITH
RESTRICTED DELIVERY

TOTAL POSTAGE AND FEES

2.06

POSTMARK OR DATE

5-14-84

Langlie A State #3 Hardship

PS Form 3800, 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

2. ☐ RESTRICTED DELIVERY

(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$ 0.60

3. ARTICLE ADDRESSED TO:

NMOCD

Post Office Box 1980

Hobbs, New Mexico 88240

4. TYPE OF SERVICE:

☐ REGISTERED ☐ INSURED
☐ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

P 265 338

018

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S
INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Langlie A State #3 Hardship

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 8, 1984

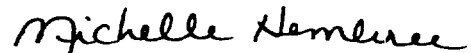
Offset Jalmat (Gas) Operators
Doyle Hartman-
Langlie "A" State No. 3 Lease
SE/4 NE/4 and NE/4 SE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico

Please be advised that Doyle Hartman, as operator of the Langlie "A" State No. 3 well located 1980 FSL & 330 FEL (I) Section 36, T-24-S, R-36-E, Lea County, New Mexico has filed with the New Mexico Oil Conservation Division for administrative approval of his Langlie "A" State No. 3 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
Administrative Assistant

/mh

cc: All Operators Listed on Attached Table

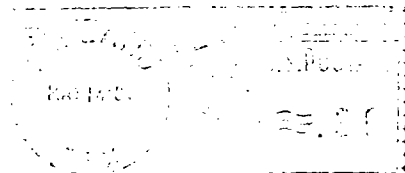
MAN

9702

Convest Energy Corporation
Attention: T. C. Johnstone
2401 Fountain View Drive
Suite 700
Houston, Texas 77057

MAN

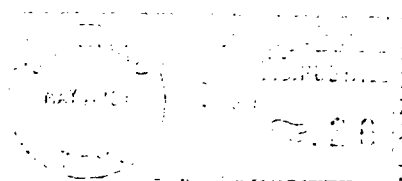
5
79702



Phillips Petroleum Co.
Attention: G. R. Smith
4001 Penbrooke
Odessa, Texas 79762

MAN

6
79702



Millard Deck Estate
c/o First National Bank
Post Office Box 2546
Fort Worth, Texas 76113

ETMAN

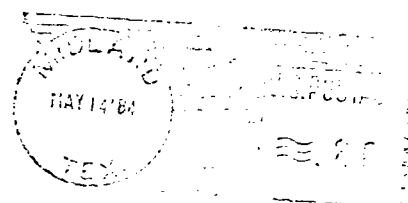
426
S 79702

Getty Oil Company
Post Office Box 1231
Midland, Texas 79702

Attention: Mr. Ted Meade
District Landman

ETMAN

426
S 79702



Sun Exploration and Production Company
One Petroleum Center, Suite 204
North A. at Wadley, Building 8
Midland, Texas 79705

Attention: Mr. J. T. Power



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

May 17, 1984

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

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

Attention Ms. Michelle Hembree

Re: Hardship Gas Well Classifications

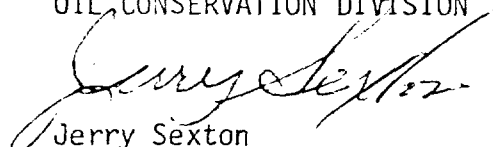
Dear Ms. Hembree:

In accordance with Division Rule 411 and as requested by your letters of May 8, 1984, the wells listed below are hereby granted emergency gas well classification for a period of 90 days pending final action by the OCD Director.

✓ Langlie "A" State No. 3 Unit I Sec. 36, T24S, R36E Jalmat Pool
Bates BB&S No. 1 Unit E Sec. 29, T25S, R37E Jalmat Pool

Yours very truly,

OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District 1

mc
cc-Mr. Joe D. Ramey, Director
OCD, Santa Fe, New Mexico

Mr. Paul Burchell
El Paso Natural Gas Co.
El Paso, Texas

MAY 18 1984

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 29, 1984

Offset Operators

Doyle Hartman-

Langlie A State No. 3

SE/4 NE/4 and NE/4 SE/4

Section 36, T-24-S, R-37-E

Lea County, New Mexico

Gentlemen:

You were informed by our letter dated May 8, 1984 of our administrative application pending before the New Mexico Oil Conservation Division to classify our Langlie "A" State No. 3 as a hardship gas well to be produced at a minimum rate of 53 mcfpd.

Although our original application was applied for administratively, the Commission has routinely set all hardship applications for hearing, and the case for our Langlie "A" State No. 3 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. Cow

MAN

426
S 79702

Sun Exploration and Production Company
One Petroleum Center, Suite 204
North A at Wadley, Building 8
Midland, Texas 79705

Attention: Mr. J. T. Power

MAN

6
79702

Millard Deck Estate
c/o First National Bank
Post Office Box 2546
Fort Worth, Texas 76113

Langley "A" State ... May 29, 1970

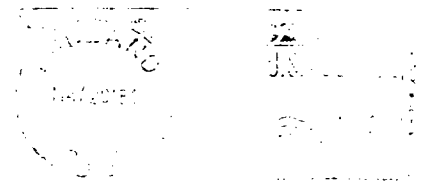
RTMAN

107
0426
AS 79701

Phillips Petroleum Company
Attention: G. R. Smith
4001 Penbrooke
Odessa, Texas 79762

RTMAN

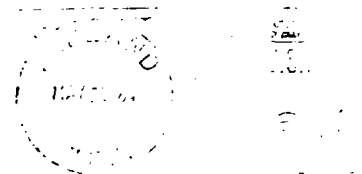
107
0426
AS 79702



Convest Energy Corporation
Attention: R. C. Johnstone
3401 Fountain View Drive
Suite 700
Houston, Texas 77057

RTMAN

107
0426
AS 79702



Getty Oil Company
Post Office Box 1231
Midland, Texas 79702

Attention: Mr. Ted Meade
District Landman

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 Langlie "A" State Well No. 3 UT I Sec. 36 TWP 24S RGE 36E
Pool Name Jalmat (Gas) Minimum Rate Requested 53 mcfpd
Transporter Name El Paso Natural Gas Co. Purchaser (if different) _____

Are you seeking emergency "hardship" classification for this well? xxx 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.

LIST OF JALMAT GAS OPERATORS

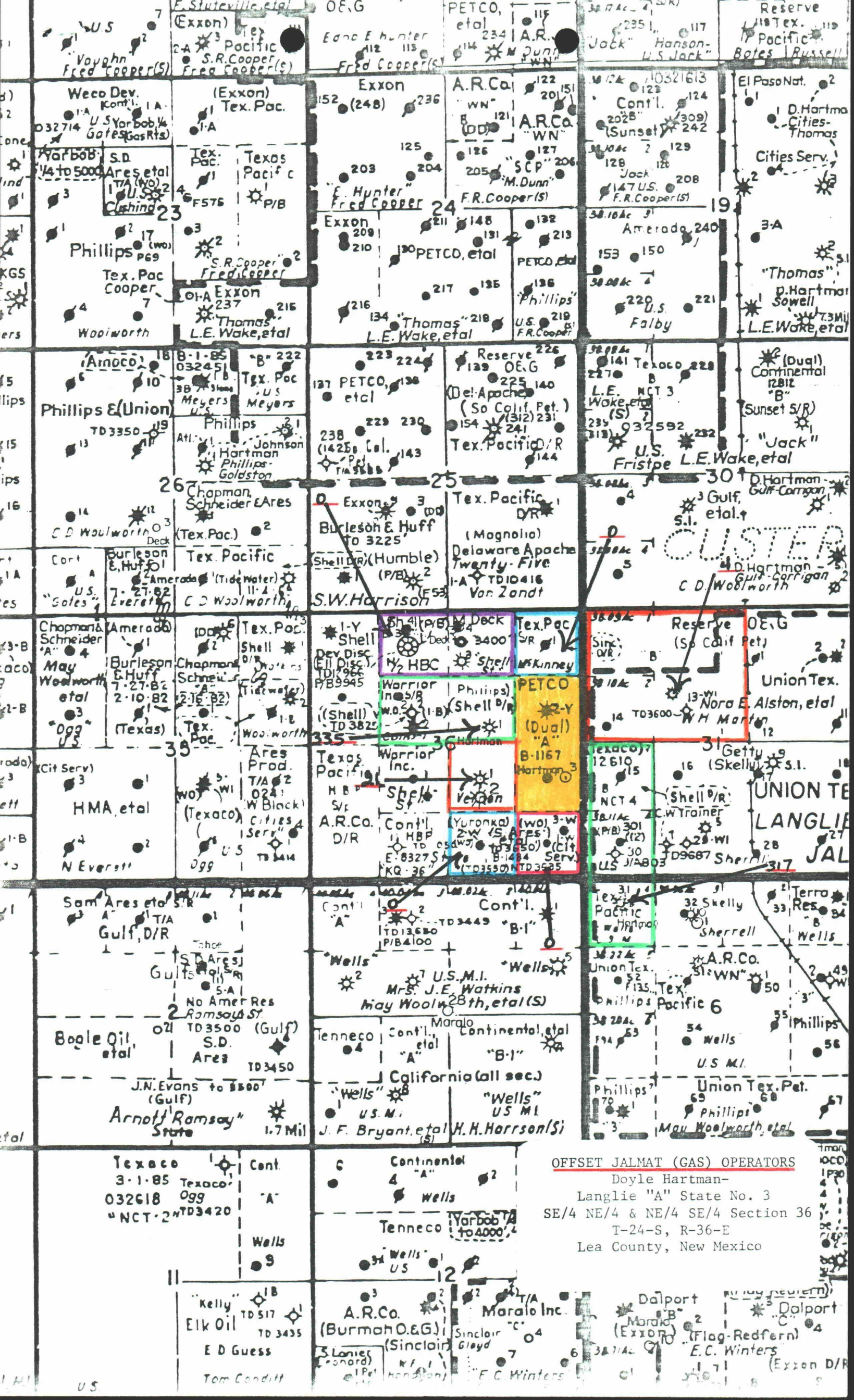
DOYLE HARTMAN

LANGLIE "A" NO. 3

SE/4 NE/4 AND NE/4 SE/4 SECTION 36, T-24-S, R-36-E

LEA COUNTY, NEW MEXICO

<u>Operator</u>	<u>Lease and Well Name(s)</u>	<u>Gas Well Location(s)</u>	<u>Unit Description</u>	<u>Number of Acres</u>	<u>Average Gas Production (MCFPD)</u>
Millard Deck Estate	Shell State	No Active Gas Well	NE/4 NW/4 and NW/4 NE/4 Section 36, T-24-S, R-36-E	80	0
Sun Texas	McKinney	No Active Gas Well	NE/4 NE/4 Section 36 T-24-S, R-36-E	40	0
Getty Oil Company	Martin "B" No. 1	F-31-24S-37E	NW/4 Section 31 T-24-S, R-37-E	160	4
Doyle Hartman	Federal Jalmat Com. No. 1	D-6-25S-37E	W/2 SW/4 Section 31 T-24-S, R-37-E and NW/4 NW/4 Section 6 T-25-S, R-36-E	120	317
Convest Energy	State "W"	No Active Gas Well	SE/4 SE/4 Section 36 T-24-S, R-36-E	40	0
Convest Energy	State "W"	No Active Gas Well	SW/4 SE/4 Section 36 T-24-S, R-36-E	40	0
Phillips Petroleum	Vernon No. 1	J-36-24S-36E	NW/4 SE/4 Section 36 T-24-S, R-36-E	40	21
Doyle Hartman	Custer State No. 1	G-36-24S-36E	SW/4 NE/4 and SE/4 NW/4 Section 36, T-24-S, R-36-E	80	335



The Langlie "A" State No. 3 well, located 1980 FSL & 330 FEL (I) Section 36,
T-24-S, R-36-E, Lea County, New Mexico, has no accumulated over/under production.

APPLICATION FOR CLASSIFICATION AS
HARDSHIP GAS WELL
Doyle Hartman-
Langlie A State No. 3
SE/4 NE/4 and NE/4 SE/4 Section 36
T-24-S, R-37-E
Lea County, New Mexico
Jalmat (Gas) Pool

1. Applicant expects that restriction of the gas production rate below a minimum of 53 mcf per day will result in "underground waste" (as defined by 1) GENERAL INFORMATION APPLICABLE TO HARDSHIP GAS WELL CLASSIFICATION). This expectation is based upon the observed fact that this well has produced from 40-60 bls of water per day since initial production (except for the months of October, November and December, 1983, upon which addition discussion will be subsequently provided). Unless sufficient gas production is allowed so that this water is removed from the wellbore, the water will accumulate inside the wellbore. Should the water so accumulate, water will eventually be forced into the lower pressured gas producing portions of the Upper Yates zone from the higher pressured water bearing portion(s) of this reservoir. Such water movement will result in loss of gas reserves due to reduction and/or elimination of permeability to gas in the gas bearing portions of the Upper Yates reservoir. In addition, physical alteration of the reservoir rock fabric may result from exposure to accumulated water, resulting in loss of gas reserves because of reduction or loss of absolute permeability to any fluid.
2.
 - A. The problem of water production cannot be solved by completion practices, as there are intervals of limited thickness interspersed throughout the Yates completion interval that have high (51 percent to 68 percent) water saturations. Elimination of water production would, therefore, necessarily involve elimination of gas production as well.
 - B. This well has a 228-D rod-pumping unit installed with a 1½" pump. Stroke length is 86", and the well is pumped at 10 strokes per minute. Water is pumped from the tubing, while gas is produced from the casing-tubing annulus. It is impossible to pump the well effectively without producing a minimum volume of gas, because the annulus pressure will increase sufficiently to cause "gas locking" with attendant reduction in volumetric efficiency.
3. As illustrated by the attached production data graph, initial production of this well occurred in April, 1983; during this period the water production has varied between 140 and 60 bbls per day (with consistent gas-water ratios between 0.11 bbls/mcf and 0.17

bbls/mcf) except for the months of October through December, 1983. For the period from October-December, 1983, the production performance statistics are as follows:

<u>MONTH</u>	<u>mcf</u>	<u>mcf/d</u>	<u>bbl</u>	<u>bbl/day</u>	<u>bbl/mcf</u>
October	10,618	356	1043	35	0.098
November	7,125	238	743	25	0.100
December	4,664	314	1096	74	0.230

This well performance indicates that water influx is relatively constant as compared to gas production; further, in order not to allow water to accumulate (with attendant risk of "underground waste"), at least 53 mcf/day must be produced. As approved waterhauling and disposal charges are \$1.31 per bbl for the area of Lea County in which the Langlie "A" State No. 3 is located, water disposal charges alone (without regard to any other costs of operation) require gas production of from 15 to 23 mcf/day.

4. Failure to obtain a hardship well classification could result in substantial loss of gas reserves from the Langlie "A" State No. 3. This magnitude of the potential loss can be summarized as follows:

Estimated Original Gas-in-Place (3-83):
Between 675 and 1379 mmcf

Estimated Deliverability Projected Gas Recovery Factor, Fraction of Original Gas in Place:
0.8200

Estimated Ultimate Gas Recovery, mmcf:
Decline curve projection: 1131.0
Deliverability projection: 538.0 to 664.0

Cumulative Gas Recovery, mmcf at April 1, 1984:
126.585

Estimated Remaining Gas Recovery, mmcf:
Decline curve projection: 1004.0
Deliverability projection: 411.0 to 537.0

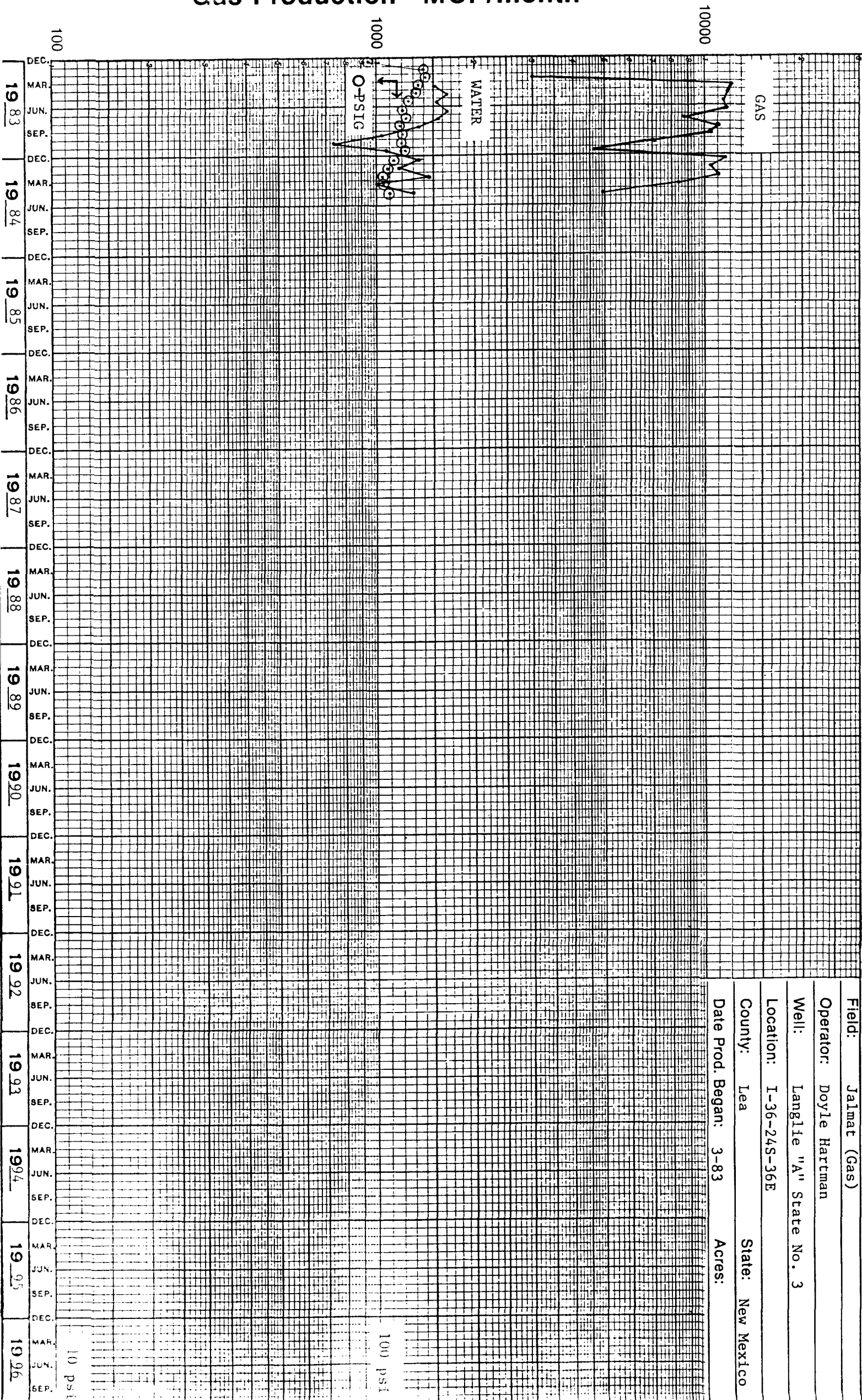
- 5) The daily test data for April, 1984 are as follows:

<u>MCFPD</u>	<u>BWPD</u>	<u>CP</u>	<u>CHOKE</u>	<u>DATE</u>	
364	53	104	23	4/01	
364	42	104	23	4/02	
358	54	104	23	4/03	
358	63	104	23	4/04	
346	52	102	23	4/05	
346	49	106	23	4/06	
346	49	106	23	4/07	
346	52	110	23	4/08	
346	25	110	23	4/09	
346	77	105	23	4/10	
346	54	105	23	4/11	
339	22	104	23	4/12	
358	30	104	23	4/13	
358	42	104	23	4/14	
358	40	104	23	4/15	
358	25	106	23	4/16	
344	25	106	23	4/17	
	20	104	23	4/18	
125		109	23	4/19	
		109	23	4/20	Well Serv.
				4/21	Well Serv.
296	13	110	23	4/22	
258	35	110	23	4/23	
200	8	113	23	4/24	
300	10	112	23	4/25	
296	10	105	23	4/26	
296	35	106	23	4/27	
284	45	106	23	4/28	
296	36	106	23	4/29	
288	42	106	23	4/30	

Noting high water production, these tests substantiate that, in order to prevent "underground waste", a minimum of at least 53 mcf with all of the associated water should be produced. It is our opinion that in order to properly protect the well, a much higher rate of 238 is preferable and could be substantiated, but because the well is on 80-acre spacing for the Jalmat (gas) pool, we have requested 53 mcfpd, which was the allowable for the month of April, 1984.

Gas Production - MCF/month

Cum. _____



Field: Jalmat (Gas)

Operator: Doyle Hartman

Well: Langile "A" State No. 3

Location: I-36-24S-36E

County: Lea

State: New Mexico

Date Prod. Began: 3-83

Acres:

23

RUN ON 6/12/84

RPT# 000003

1984

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

LEASE# METER#

821208 58687 LANGLEIE "A" STATE #3

	MCF GAS PRODUCED	BBLS OIL PRODUCED	BBLS H2O PRODUCED	DAYS PROD	LP PSIG	AVG TEMP	BTU FACTOR	BTU	ITD CUME GAS	ITD CUME OIL	AVG TP	AVG CP	DAYS SHUTIN
JANUARY	11650		1355.00	31.0	10.50	54	.9914	1109	104945			113	
FEBRUARY	10561		1173.00	29.0	9.25	58	.9891	1109	115506			109	
MARCH	11079		1453.00	31.1	9.60	60	.9888	1111	126585			105	
APRIL	8430		1008.00	30.0	9.50	65	.9867	1111	135015			106	
MAY	4930		1303.00	27.8	7.80	75	.9796	1111	139945			110	3

JUNE
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER

YTD 1984	46650	6292.00	148.9
ITD	139945	22307.00	400.5

3
26

OPERATOR - DOYLE HARTMAN

DATE ON
STREAM

3/24/83

NRI %

.58789063

No. 85728-04

DATE DEC 23, 1982

(NAME OF COMPANY)

TRANSFERRED

FIELD TRANSFER

TO LANCIE "A" STATE #3

FROM WAREHOUSE

TO BE USED
FORWAS USED
FOR

X6

QUANTITY	JOINTS	MATERIAL (Write separate line for each item)	CON- DITION	UNIT PRICE	AMOUNT
1		AMERICAN 80-119-64X0	NEW		12,357.45
		STORAGE AND HANDLING			750.00
		140-46-34			
					12,357.45

MATERIAL RECEIVED BY
(FOREMAN OR SUPT.)*Sam G. [Signature]*MATERIAL DELIVERED BY
(FOREMAN OR SUPT.)Hess/HRB 227 BOX 800
TULSA OK 74101

This form must be used for the transfer of any material moved from a lease, plant or other property of the company to a different location. Each foreman must carry his number in consecutive order.

No. 200001-01

(NAME OF COMPANY)

DATE MAY 31, 1923
(Date of Paperwork)

TRANSFERRED

FIELD TRANSFER

TO LANOLIE "A" STATE #3

FROM WAREHOUSE
WAS USED FOR

TO BE USED FOR

QUANTITY	JOINTS	MATERIAL (Write separate line for each item)	CON-DITION	UNIT PRICE	AMOUNT
1		PUMPING UNIT AMERICAN 228 T70 F84 33091 D2286-1049	USED		12,787 90
1		PUMPING UNIT BASE	USED		1,400 2
1		MOTOR AND CONTROLLER T70 F84 33091	USED		2,100 3
					14,288 4

MATERIAL RECEIVED BY
(FOREMAN OR SUPT.)

[Signature]

MATERIAL DELIVERED BY
(FOREMAN OR SUPT.)

227 BOX 800 TULSA OK 74101

This form must be used for the transfer of any material moved from a lease, plant or other place of the company to a different location. Each foreman must carry his number in consecutive order.

TRANSFERRED

(NAME OF COMPANY)

No. 230531-02

TO NORTHSIDE

FIELD TRANSFER

627 DATE MAY 21 1983

FROM

LANGHE A STATE #3

WAS USED
FOR

QUANTITY	JOINTS	MATERIAL (Write separate line for each item)	CON- DITION	UNIT PRICE	AMOUNT
		AMERICAN 20-119-64	NEW		17,607.45
		D 806-1568			
		TIF 64-2-3990			
		STORAGE AND HANDLING			750.00
		140-46-34			
					18357.45

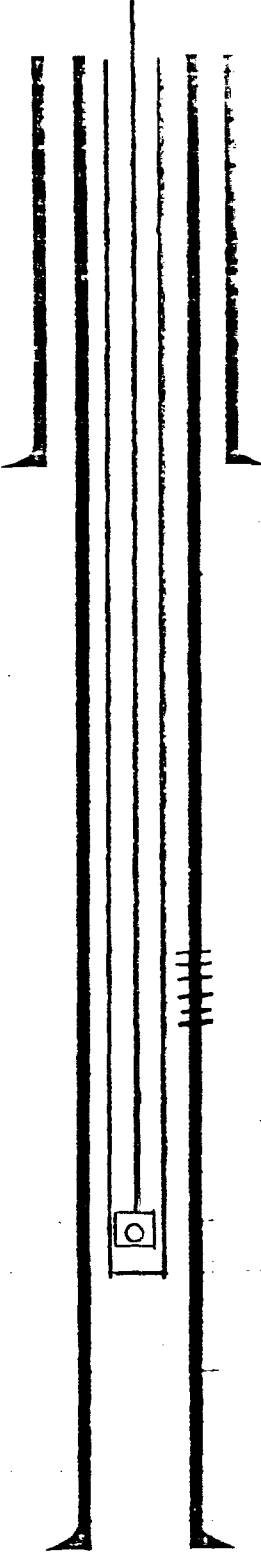
MATERIAL RECEIVED BY
(FOREMAN OR SUPT.)

Larry O. Newman

MATERIAL DELIVERED BY
(FOREMAN OR SUPT.)227 BOX 800
TULSA OK 74101

This form must be used for the transfer of any material moved from a lease, plant or other property of the company to a different location. Each foreman must carry his number in consecutive order.

WELLBORE SKETCH
LANGLIF "A" STATE NO. 3

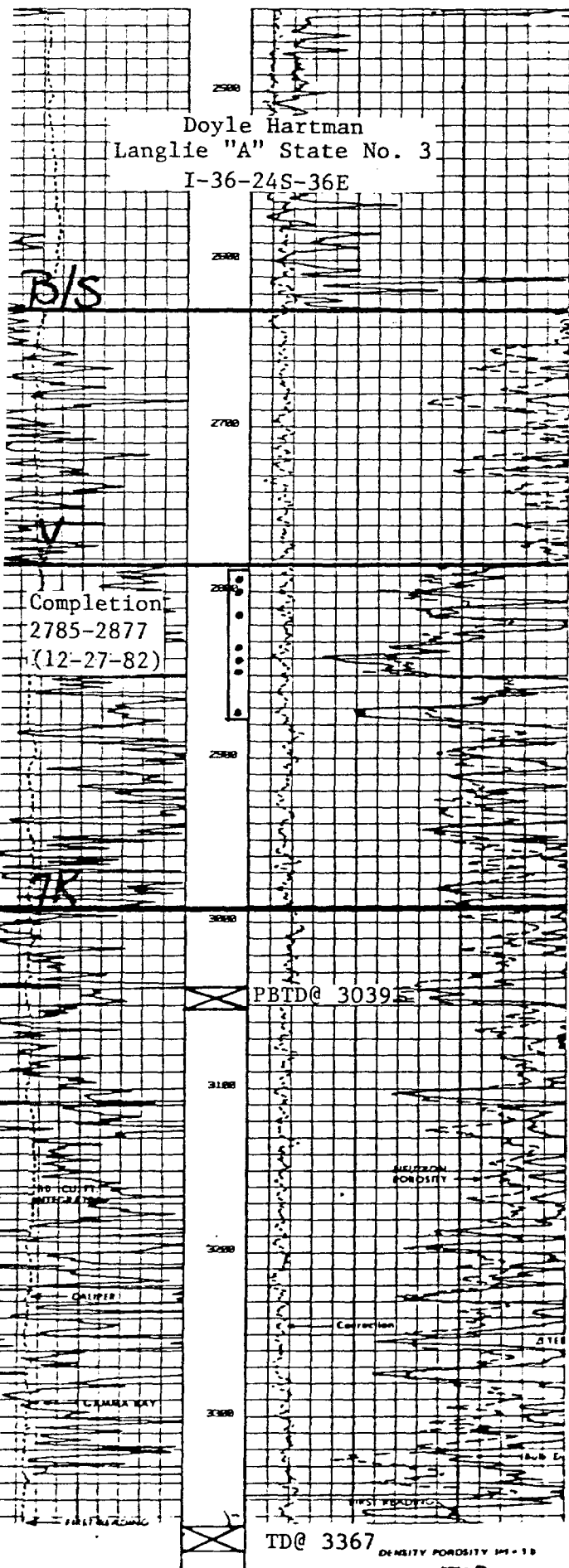


9 5/8" Set at 401'
Cement 250 Sacks

Perforations 1 hole each at: 2785, 2789, 2794,
2798, 2802, 2810, 2813, 2816, 2825, 2831,
2834, 2838, 2842, 2845, 2848, 2863, 2867,
2870, 2873, 2877.

2" Insert Pump
2 3/8" EUE Tubing
Set at 2,952'

7" Set at 3,366'
Cement 675 Sacks



COMPANY Doyle Hartman

WELL Langlie "A" State No. 3

FIELD Jalmat (Gas)

LOCATION 1980 FSL & 330 FEL (I)
Sec. 36, T-24-S, R-36-E
(24-36-36-I)

COUNTY Lea

STATE New Mexico

ELEVATIONS: KB 3264
DF
GL 3254

COMPLETION RECORD

SPUD DATE 12-18-82 COMP. DATE 12-27-82

TD 3367 PBTD 3039

CASING RECORD 9 5/8 @ 401 w/250
7 @ 3366 w/675

PERFORATING RECORD Perf: 2785-2877 w/20
(Yates)

STIMULATION A/5300

IP IPF= 132 MCFPD + 6 BWPD

GOR GR

TP CP FCP=51 (SICP=115)

CHOKE 22/64 TUBING 2 3/8" @ 3007

REMARKS

Pump arrangement: 6 X 64 X 1 1/4

1-15-83: SWF/72,900 + 179,000.

Well Test (5-06-83)

Gas: 376 MCFPD

Oil: 0 BOPD

Water: 48 BWPD

Choke: 23/64

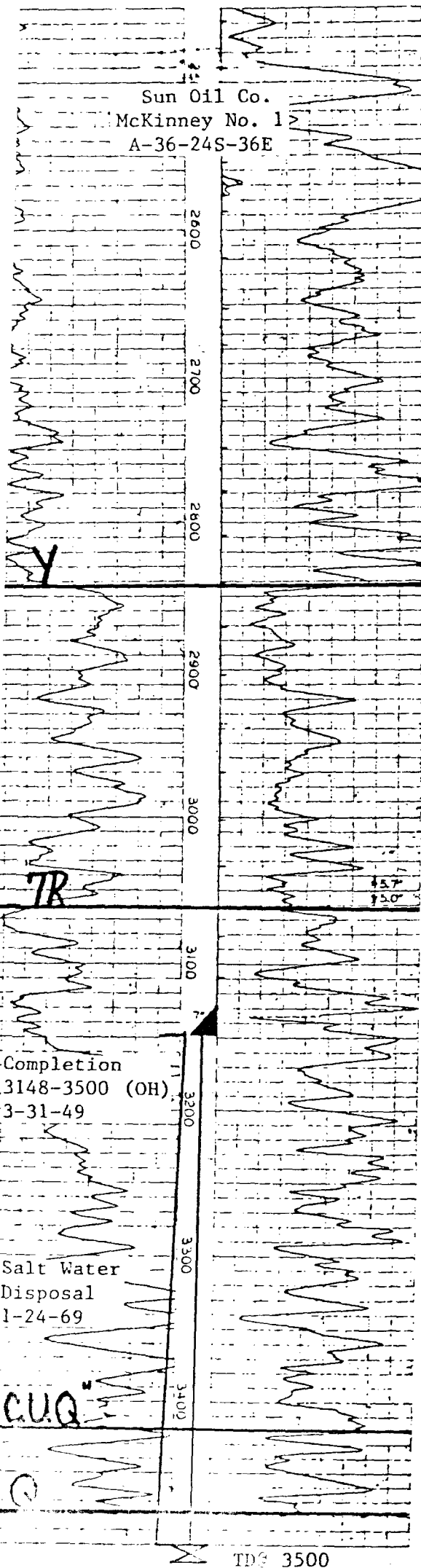
FCP: 134

Current Pump Arrangement

(10 x 86 x 1 1/4)

Current Tubing Depth: 2952

T-36-24S-36E



COMPANY Sun Oil Company
(Texas Pacific Co./R. Olsen)
WELL McKinney No. 1
FIELD Jalmat-Langlie Mattix
LOCATION 660 FNL & 660 FEL (A)
Sec. 36, T-24-S, R-36-E
(24-36-36-A)
COUNTY Lea
STATE New Mexico
ELEVATIONS: KB _____
DF 3269
GL _____
4-25-83

COMPLETION RECORD

SPUD DATE 3-7-49 COMP. DATE 3-31-49
TD 3500 PBTD 3500
CASING RECORD 10 3/4 @ 278 w/175
7 @ 3148 w/500

PERFORATING RECORD OH: 3148-3500
(Seven Rivers-Queen)

STIMULATION Natural

IP IPF= 9 BOPD + 2000 MCFPD*

GOR _____ GR _____

TP _____ CP _____

CHOKE 15/64 TUBING _____ @ _____

REMARKS DST 3148-3500: F/9 BOPD + 6000 MCFPD.

*Sample Shows

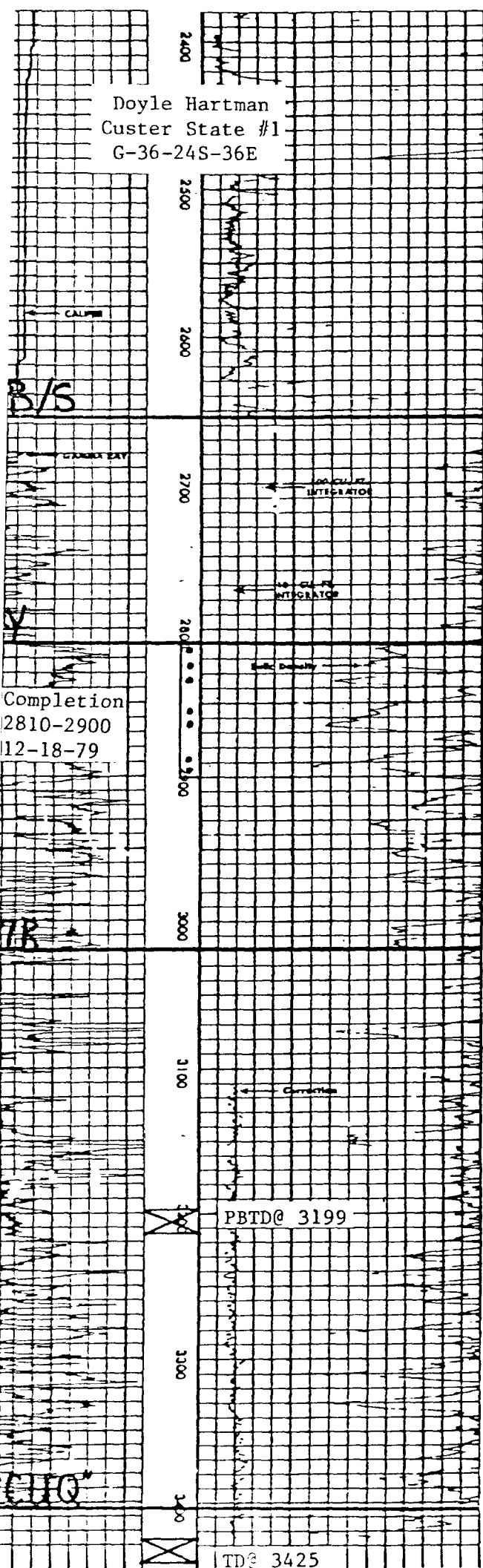
2855-2950: Sand. Very good show of gas.

3390-3490: Sucrosic dolomite. Fair to good show of oil.

1-24-69: Well converted to water disposal from 3140-3500.

1-83 Cum. Wtr. Inj.: 12211 MBW

1982 Avg. Wtr. Inj: 2372 BWPD



COMPANY Doyle Hartman

WELL Custer State No. 1

FIELD Jalmat (Gas)

LOCATION 2310 FNL & 1800 FEL (G)
Sec. 36, T-24-S, R-36-E
(24-36-36-G)

COUNTY Lea

STATE New Mexico

ELEVATIONS: KB 3275
DF
GL 3265

4-25-83

COMPLETION RECORD

SPUD DATE 12-2-79 COMP. DATE 12-18-79

TD 3425 PBTID 3199*

CASING RECORD 8 5/8 @ 442 w/300
5 1/2 @ 3425 w/650

PERFORATING RECORD Perf: 2810-2900 w/15
(Yates)

STIMULATION A/4500
SWF/60,000 + 80,000

IP IPF=264 MCF/DPD

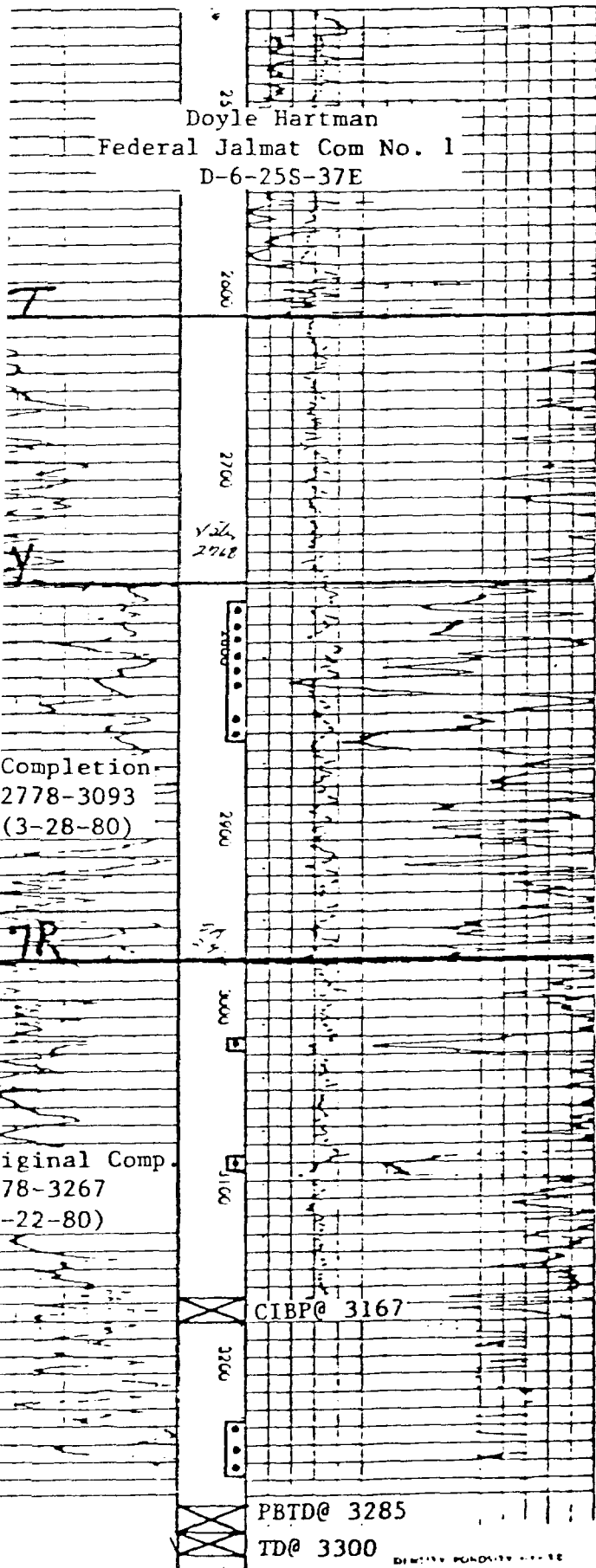
GOR GR

TP 164 CP 171

CHOKE 20/64 TUBING @

REMARKS *DV Tool @ 3199 was not drilled out.
2-83 Cum Prod: 225 MMCF
1982 Avg Prod: 161 MCF/DPD
Well Test (4-16-83)
Gas: 359 MCF/DPD
Oil: 0 BOPD
Water: 10 BWPD
Choke: 20/64
FCP: 94

G-36-24S-36E



COMPANY Doyle Hartman

WELL Federal Jalmat Com No. 1

FIELD Jalmat (Gas)

LOCATION 590 FNL & 660 FWL (D)
Section 6, T-25-S, R-37-E
(25-37-06-D)

COUNTY Lea

STATE New Mexico

ELEVATIONS: KB
DF
GL 3235

COMPLETION RECORD

SPUD DATE 2-14-80 COMP. DATE 3-22-80

TD 3300 PBTD 3285

CASING RECORD 9 5/8 @ 403 w/150
5 1/2 @ 3300 w/550

PERFORATING RECORD Perf: 2778-3267 w/18
(Yates-Seven Rivers)

STIMULATION A/6000
SWF/60,000 + 130,000

IP IPF= 250 MCFPD

GOR GR

TP FTP=116 CP FCP= 145

CHOKE 18/64 TUBING 2 3/8 @ 2839

REMARKS

3-28-80: Set CIBP @ 3167.

Landed 2 3/8" tbg @ 3145. Placed
well back on production from 2778-3093.

Well Test (4-24-83)

Gas: 344 MCFPD

Oil: 0 BOPD

Water: 16 BWPD

Choke: 24/64

FCP: 97

Current Pump Arrangement

(8 1/2 x 64 x 1 1/4)

3-31-84 Cum Prod: 435.8 MCF

20 MEG

1984 Avg Prod: 192 MCFPD

D-6-25S-37E

RUN ON 7/09/84

RPT# 000003

1983

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

LEASE# METER#

791203 58230 CUSTER STATE #1

MCF GAS PRODUCED 2054
BBLS OIL PRODUCED 54.00
BBLS H2O PRODUCED 42.00
DAYS PROD 7.9

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

YTD 1983

ITD

DATE ON
STREAM

12/27/79

LP
PSIG

AVG
TEMP

BTU
FACTOR

BTU

NRI %

.47460930

.9945

.9896

.9917

.9831

.9765

.9796

.9769

.9823

.9834

.9923

.9936

1217

1217

1197

1197

1199

1199

1199

1204

1217

1217

1197

1197

ITD CUME
GAS

ITD CUME
OIL

AVG
TP

AVG
CP

DAYS
SHUTIN

172

100

116

113

116

86

92

95

80

92

102

63

22

21

31

21

18

16

11

6

26

23

63

195

195

OPERATOR - DOYLE HARTMAN

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

RPT# 0000003

RUN ON 7/06/84

1982

LEASE# METER#

791203 58230 CUSTER STATE #1

	MCF GAS PRODUCED	BELS OIL PRODUCED	BELS H2O PRODUCED	DAYS PROD	LP PSIG	AUG TEMP	BTU FACTOR	BTU	ITD CUME GAS	ITD CUME OIL	AVG TP	AVG CP	DAYS SHUTIN
JANUARY	4249		114.00	31.0				1181	166726			188	1
FEBRUARY	3997		117.00	28.0				1180	170723			98	
MARCH	6934		204.00	31.0				1182	177657			93	
APRIL	6752		153.00	30.0				1178	184409			87	
MAY	3363		69.00	31.2				1177	187772			93	
JUNE	4123		111.00	23.8				1148	191895			93	6
JULY	1604		42.00	15.0				1144	193499			95	16
AUGUST	5499		180.00	30.9				1147	198998			92	
SEPTEMBER	3814		114.00	30.0				1147	202812			86	
OCTOBER	2380		28.00	10.0				1172	205192			93	21
NOVEMBER	7416		273.00	30.0				1179	212608			86	
DECEMBER	8395		207.00	31.0				1207	221003			72	

YTD 1982	58526		1612.00	321.9									44
ITD	221003		5105.00	1042.5									58

OPERATOR - DOYLE HARTMAN

DATE ON
STREAM

12/27/79 .47460930

NRI %

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

1981

RPT# 000003

RUN ON 7/06/84

LEASE# METER#

791203 58230 CUSTER STATE #1

OPERATOR - DOYLE HARTMAN

MCF GAS BELLS OIL BELLS H2O
 PRODUCED PRODUCED PRODUCED

DAYS
 PROD

LP
 PSIG

DATE ON
 STREAM

12/27/79

NRI %

.47460930

BTU

FACTOR

BTU

AVG
 TEMP

ITD CUME
 GAS

ITD CUME
 OIL

AVG
 TP

AVG
 CF

DAYS
 SHUTIN

JANUARY

8761

219.00

31.0

31.0

31.0

FEBRUARY

6541

132.00

28.0

28.0

28.0

MARCH

5407

153.00

31.1

31.1

31.1

APRIL

4797

114.00

26.8

26.8

26.8

MAY

5186

120.00

28.0

28.0

28.0

JUNE

5407

114.00

30.0

30.0

30.0

JULY

5580

155.00

31.0

31.0

31.0

AUGUST

5592

153.00

31.0

31.0

31.0

SEPTEMBER

5356

144.00

30.0

30.0

30.0

OCTOBER

5609

150.00

31.0

31.0

31.0

NOVEMBER

5452

135.00

30.0

30.0

30.0

DECEMBER

4567

117.00

31.0

31.0

31.0

YTD 1981

68255

1706.00

358.9

358.9

358.9

ITD

162477

3493.00

720.6

720.6

720.6

5

14

DOYLE HARTMAN, OIL OPERATOR									
YEAR-TO-DATE PRODUCTION FOR									
VOLUMES CALCULATED AT 15.025 PSIA									
1979									
RPT# 000003									
RUN ON 7/06/84									
LEASE# METER#									
791203 58230 CUSTER STATE #1									
MCF GAS PRODUCED									
BBLS OIL PRODUCED									
BBLS H2O PRODUCED									
DAYS PROD									
LP PSIG									
DATE ON STREAM									
12/27/79									
NRI %									
.47460930									
AUG TEMP									
BTU FACTOR									
BTU									
ITD CUME GAS									
ITD CUME OIL									
AUG TP									
AUG CP									
DAYS SHUTIN									
OPERATOR - DOYLE HARTMAN									
JANUARY									
FEBRUARY									
MARCH									
APRIL									
MAY									
JUNE									
JULY									
AUGUST									
SEPTEMBER									
OCTOBER									
NOVEMBER									
DECEMBER	1057		60.00		3.8				1057
YTD 1979	1057		60.00		3.8				
ITD	1057		60.00		3.8				

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

RPT# 000003

RUN ON 7/09/84

1983

LEASE# METER# PAID OUT 81/08/31

DATE ON
STREAM

NRI %

800214 58271 FEDERAL JALMAT "COM" #1										.30784850 BEFORE PAYOUT .38247242 AFTER PAYOUT 81/08/31				OPERATOR - DOYLE HARTMAN		
	MCF GAS PRODUCED	BELS OIL PRODUCED	BELS H2O PRODUCED	DAYS PROD	LP PSIG	AVG TEMP	BTU FACTOR	BTU	ITD CUME GAS	ITD CUME OIL	AVG TP	AVG CP	DAYS SHUTIN			
JANUARY	9216		527.00	30.4	9.00	45	.9933	1129	329463			203				
FEBRUARY	9452		483.00	28.0	9.25	55	.9902	1129	338915			99				
MARCH	10366		465.00	31.0	10.00	64	.9871	1138	349281			97				
APRIL	10297		454.00	30.0	10.50	65	.9872	1138	359578			98				
MAY	8470		412.00	31.0	9.75	78	.9794	1138	368048			97				
JUNE	9805		290.00	30.0	10.00	80	.9780	1138	377853			95				
JULY	9883		297.00	31.0	10.25	83	.9757	1138	387736			94				
AUGUST	8926		272.00	27.8	11.25	85	.9752	1138	396662			95	3			
SEPTEMBER	9428		383.00	30.0	12.75	78	.9817	1138	406090			92				
OCTOBER	1289		496.00	4.1	13.00	79	.9811	1138	407379			106	26			
NOVEMBER	2461		462.00	7.0	11.00	48	.9931	1138	409840			112	24			
DECEMBER	8536		369.00	29.1	12.25	42	.9947	1143	418376			101				

YTD 1983 98129 4910.00 309.4

53

ITD 418376 20038.00 1307.4

53

REF# 000003

7/09/84

[illegible]

1:2/30/13

TER FAYOUT 81/08/31

OPERATOR - DOYLE HARTMAN

FROM
DAYS

30-61

8-23

31.0

0.000

31.1

0.0004

31.0

207

30.0

0.13

29.3

30.9

1. 295

0-98,0

0204

4154

PAID OUT 150 MAY 81/08/31

受不

DATE ON
STREAM

800214 58271 FEDERAL JALMAT "COM" #1

MCF GAS BELLS DIL BELLS H2O
 PRODUCED PRODUCED PRODUCED

DAYS FROM

5153
47

AVG	BTU
TEMP	FACTOR
	BTU

• 30784850 BEFORE PAYOUT
• 38247242 AFTER PAYOUT

81/08/31

OFFER-

1017

DAYS SHUT IN

AVG
DF

Avg
TF

710
CUMED

ITD CUME
GAS

PLS

BTU
FACTI

AVG
TEMP

5153
47

DAYS FROM

U.S. 578

ERLS DIL
PRODUCED

PRODUCED BY GAS

10

JANUARY 10658

FEBRUARY 9655

MAFCH 9975

APRIL 8504

MAY 9364

JUNE 8875

JULY 8744

AUGUST 8107

SEPTEMBER 7686

OCTOBER 7971

NOVEMBER 8288

DECEMBER 9035

YTD 1981 106862

ITD 201556

2-195

635.9

4182.00

3944.00

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

RPT# 0000003

RUN ON 7/09/84

1980

LEASE# METER#

800214 58271 FEDERAL JALMAT "COM" #1

MCF GAS BBLs OIL BBLs H2O
PRODUCED PRODUCED PRODUCED

DAYS
PROD

LP
PSIG

AUG
TEMP

BTU
FACTOR

BTU

3/21/80

NRI %

ITD CUME
GAS

ITD CUME
OIL

AUG
TP

AUG
CP

DAYS
SHUTIN

OPERATOR - DOYLE HARTMAN

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

YTD 1980

ITD

2621

12383

10408

9771

10577

9699

9109

10036

9602

10489

94695

94695

837.00

678.00

498.00

400.00

408.00

342.00

391.00

352.00

452.00

404.00

4762.00

4762.00

3.7

25.5

31.0

30.0

31.0

30.6

30.0

31.1

30.4

30.9

274.2

274.2

2621

15004

25412

35183

45760

55459

64568

74604

84206

94695

151

149

145

139

136

131

128

125

123

LEWIS B. BURLESON, INC.

LEWIS B. BURLESON
PRESIDENT

OIL & GAS PROPERTIES
BOX 2479 - PHONE 683-4747
MIDLAND, TEXAS 79702

WAYNE JARVIS
SUPERINTENDENT

June 27, 1984

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

Attn: Mr. Joe Ramey

Re: Harrison # 2
Unit N, Section 25,
T-24-S, R-36-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, together with the necessary supporting data.

By copy of this letter we are forwarding copies of this application to the working interest owners, the purchaser (El Paso Natural Gas Company), the District office of the Commission and all off-set operators.

If you have any questions please do not hesitate to contact me.

Yours very truly,



Steven L. Burleson

cc: Oil Conservation Division
Box 1980
Hobbs, NM 88240

El Paso Natural Gas Co.
Box 1492
El Paso, TX 79978

WORKING INTEREST OWNERS

Doyle Hartman
Box 10426
Midland, TX 79702

Jack Huff
Box 471
Midland, TX 79702

JUN 28 1984

June 27, 1984

June 27, 1984

OFF-SET OPERATORS

Doyle Hartman
Box 10426
Midland, TX 79702

Sun Oil Company
Box 1861
Midland, TX 79702

Millard Deck Estate
Eunice, New Mexico 88321

Getty Oil Company
Two Midland National Center
Midland, TX 79701

Shell Oil Company
600 N. Marienfeld, Suite 310
Midland, TX 79701

Convest Energy Corp.
2401 Fountain View Drive, Suite 700
Houston, TX 77057

Operator Lewis B. Burles Lewis B. Burleson
 Address P.O. Box 2479, Midland, TX 79702 Phone No. 915-683-4747
 Lease Harrison Well No. 2 W N Sec. 25 TWP 24-S RCE 36-E
 Pool Name Jalmat Gas Pool Minimum Rate Requested 110 MCFPD
 Transporter Name El Paso Natural Gas Company Purchaser (if different) _____

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

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

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.

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.

EXHIBIT "B"

CASE NO.

ORDER NO.

"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 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.
- 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.

STATEMENT OF CERTIFICATION
HARDSHIP GAS WELL CLASSIFICATION

Doyle Hartman-
Langlie "A" State No. 3
1980 FSL & 330 FEL (I)
Section 36, T-24-S, R-36-E
Lea County, New Mexico
Jalmat (Gas)

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 Hobbs District I 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 Jalmat (Gas) 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 14th day of MAY, 1984.

Cindy Sue Harrison
Notary Public

My Commission Expires:

CINDY SUE HARRISON
My Commission Expires Aug. 11, 1987

47074

RUN. ON 6/12/84

NET %

OPERATOR - JOYLE HARTMAN

[illegible]

4000

RUN ON 6/13/84

NR1 %

OPERATOR - DOYLE HARTMAN

99 94 1

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