

DOYLE HARTMAN

Oil Operator

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MIDLAND, TEXAS 79702

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December 31, 1980

RECEIVED

State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

JAN 05 1981

C. C. D.
ARTS & CRAFTS

Re: Application for Wellhead Price
Ceiling Category Determination
South Empire State Com No. 1
S/2 Section 24, T-17-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Please find enclosed Application for Wellhead Price Ceiling Category
Determination for Doyle Hartman's South Empire State Com No. 1 located
S/2 Section 24, T-17-S, R-28-E, Eddy County, New Mexico.

Enclosed is our application for the South Empire State Com No. 1 as a
Section 102 well (new onshore reservoir) and our application for the
South Empire State Com No. 1 as a Section 103 well (new onshore production
well). We unquestionably feel the South Empire State Com No. 1 auto-
matically qualifies as a Section 103 well as there has never been a Morrow
producer on the subject proration unit. However, we feel the well is
located in a heretofore unproduced reservoir, and is qualified to receive
the higher Section 102 gas price.

The well was completed more quickly than was originally anticipated, and
is already on production. Because we would like for our well to qualify
for the highest price possible at the earliest possible date, we are
enclosing both Section 102 and Section 103 applications simultaneously.

If any additional data is required prior to the necessary hearing before
the NMOCD to determine the qualification of the well as a Section 102
well (new onshore reservoir), please do not hesitate to contact us.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

/mh

cc: All Working Interest Participants

cc: El Paso Natural Gas Company
P.O. Box 1492
El Paso, Texas 79978
Attention: Mr. Alden Wood, Regulatory Affairs Dept.