El Paso
Natural Gas Company

P. O. BOX 1492
EL PASO. TEXAS 79978
PHONE: 915-541-2600

November 12, 1984

Doyle Hartman
Oil Operator
500 N. Main
P. O. Box 10426
Midland, Texas   79702

                    Re: Hardship Gas Well Classification
                         South Empire State Com Well No. 1
                         Unit M, Section 24, T17S - R28E
                         Lea County, New Mexico
                         New Mexico Oil Conservation Division's Case 8226

Dear Sir:

It is understood that the above referenced case was withdrawn
November 9, 1984, from the New Mexico Oil Conservation Division's
docket. Prior to this case being withdrawn, it was continued to
an indefinite date at the Examiner's Hearing held October 31, 1984.
It was the "continuance to an indefinite date" that prompted
El Paso Natural Gas Company to return this well to normal scheduling.

This well was classified to an emergency hardship status upon
receipt of Mr. Leslie A. Clements', New Mexico Oil Conservation
Division Supervisor, District II, letter of May 29, 1984. El Paso
immediately classified the well in such a manner that it would not
be shut-in pending the outcome of the hearing. The case was first
set for hearing on June 20, 1984, and continued every month until
October 31, 1984, whereupon it was continued indefinitely at the
discretion of the applicant. El Paso believes that more than
sufficient time has been granted the applicant to resolve this
problem and we further believe that this well should return to normal
scheduling by November 15, 1984.

El Paso Natural Gas Company neither concurs with nor objects to this
application. El Paso recognizes that some wells should definitely
be recognized as "hardship" wells, but we will only recognize such
wells upon order of the New Mexico Oil Conservation Division.

El Paso's policy is to take ratably between wells, between fields
(prorated and nonprorated) and between states. Once a well is
classified as a "hardship" well, it increases the non-controllable
gas taken into our system and reduces our flexibility of pipeline

TALKED TO BOB MANNING - EL PASO
11-5-84 @ 09:00 A.M. THEY ARE
GOING TO SHUT IN THIS WELL
TO BE RATEABLE WITH THEIR TAKES
WITHIN THE AREA

Lee.

915-541-5073 EL PASO