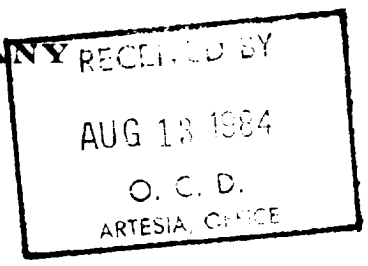


CCD

HONDO OIL & GAS COMPANY

**P. O. Box 2819
DALLAS, TEXAS 75221**



August 9, 1984

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

RE: NGPA - Well Pricing Category Determination
Hondo Sinclair State Com #1
Eddy County, New Mexico
HD #683

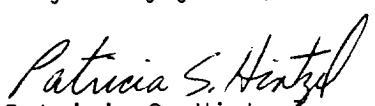
Gentlemen:

Pursuant to Order No. R-5878-B of the Oil Conservation Division, Hondo Oil & Gas Company, a subsidiary of Atlantic Richfield (HONDO), hereby submits an original and one copy of an application for determination of Section 108, Stripper Well, pricing category for the above captioned well.

Co-owners with different purchasers than those listed on form 121 should furnish a copy of these documents to said purchaser(s).

Please return the extra copy of this letter with evidence of your receipt thereof, in the enclosed, self-addressed envelope.

Very truly yours,


Patricia S. Hintzel
Gas Regulations Administrator
(214) 880-5165

PSH:pga

Enclosures:

C CONSERVATION DIVISION

STATE OF NEW MEXICO

P. O. BOX 2088

Form C-132
Revised 7-15-80

ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION

1. FOR DIVISION USE ONLY:

DATE COMPLETE APPLICATION FILED _____

DATE DETERMINATION MADE _____

WAS APPLICATION CONTESTED? YES _____ NO _____

NAME(S) OF INTERVENOR(S), IF ANY: _____

RECEIVED

AUG 13 1984

O. C. D.
ARTESIA, OFFICE

5A. Indicate Type of Lease

STATE ☒FEE ☐

5. State Oil & Gas Lease No.

647

7. Unit Agreement Name

8. Farm or Lease Name

Hondo Sinclair St. Com

9. Well No.

1

10. Field and Pool, or Wildcat

Morrow

12. County

Eddy

2. Name of Operator

Hondo Oil & Gas Company
A Division of Atlantic Richfield Company

3. Address of Operator

P. O. Box 2819 (22-108 DAB)
Dallas, Texas 75221

4. Location of Well

UNIT LETTER G LOCATED 1980 FEET FROM THE N LINEAND 1980FEET FROM THE E LINE OF SEC. 28 TWP. 18S RGE. 28E NMPM

11. Name and Address of Purchaser(s)

United Gas Pipe Line Co. P. O. Box 1478 Houston, Texas 77001

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

1. Category(ies) Sought (By NGPA Section No.) 108

2. All Applications must contain:

- ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
- ☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
- ☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
- ☒ d. AFFIDAVITS OF MAILING OR DELIVERY

3. In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules for Applications For Wellhead Price Ceiling Category Determinations" as follows:

A. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)

☐ All items required by Rule 14(1) and/or Rule 14(2)

B. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)

☐ All items required by Rule 15

C. NEW ONSHORE PRODUCTION WELL

☐ All items required by Rule 16A or Rule 16B

D. DEEP, HIGH-COST NATURAL GAS and TIGHT FORMATION NATURAL GAS

☐ All items required by Rule 17(1) or Rule 17(2)

E. STRIPPER WELL NATURAL GAS

☒ All items required by Rule 18I HEREBY CERTIFY THAT THE INFORMATION CONTAINED
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY
KNOWLEDGE AND BELIEF.Dottie J. Martinson

NAME OF APPLICANT (Type or Print)

Dottie J. Martinson

SIGNATURE OF APPLICANT

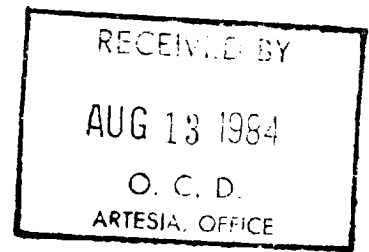
Title Director, Gas RegulationsDate August 9, 1984

FOR DIVISION USE ONLY

☐ Approved☐ DisapprovedThe information contained herein includes all
of the information required to be filed by the
applicant under Subpart B of Part 274 of the
FERC regulations.

EXAMINER

AFFIDAVIT BEFORE
NEW MEXICO OIL CONSERVATION DIVISION
CERTIFICATE OF SERVICE
NGPA WELL DETERMINATIONS



STATE OF TEXAS

COUNTY OF DALLAS

I hereby affirm that I have this date placed a copy of the attached New Mexico Oil Conservation Division Form C-132 and/or C-132A and the attached FERC Form 121 in the United States Mail, first class postage paid, to all working interest owners and to all parties of the gas purchase contract as listed below:

Gas Purchaser(s)

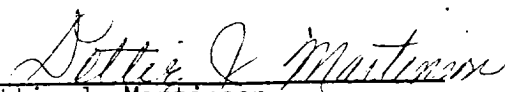
United Gas Pipe Line Company
Attn: Leo E. Greathouse
P. O. Box 1478
Houston, Texas 77001

Oil Conservation Division
District Office

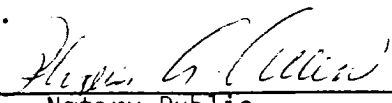
New Mexico Oil Conservation
Division
P. O. Drawer DD
Artesia, New Mexico 88210

Working Interest Owners

See Attached List


Dottie J. Martinson
Director, Gas Regulations
Hondo Oil & Gas Company
Division of Atlantic Richfield
Company

SUBSCRIBED in my presence and duly sworn to before me
this 13th day of August, 1984.


Notary Public

My Commission Expires: December 1, 1985

KE-F1-32
09-19-83

U.S. DEPARTMENT OF ENERGY
Federal Energy Regulatory Commission
Washington, D.C. 20426

RECEIVED BY

AUG 13 1984

O. C. D.

Form Approved
OMB No. 1902-0038
Expires 12/31/84)

APPLICATION FOR DETERMINATION OF THE MAXIMUM ALLOWED
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)
(Sections 102, 103, 107 and 108)

GENERAL INSTRUCTIONS

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA.

Complete each appropriate item on the reverse side of this page. The code numbers used in items 4 and 6 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Also enter any additional remarks in the space below. The data reported on this form are not considered to be confidential and will not be treated as such.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 274.501. If there are any questions, call (202) 357-8585.

SPECIFIC INSTRUCTIONS

Use the codes in the table below for type of determination in item 2.

Section of NGPA (a)	Category Code (b)	Description (c)
102	1	New OCS lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS lease
103	-	New onshore production well
107	0	Deep (more than 15,000 feet) high cost gas
107	1	Gas produced from geopressured brine
107	2	Gas produced from coal seams
107	3	Gas produced from Devonian shale
107	5	Production enhancement gas
107	6	New tight formation gas
107	7	Recompletion tight formation gas
108	0	Stripper well
108	1	Stripper well - seasonally affected
108	2	Stripper well - enhanced recovery
108	3	Stripper well - temporary pressure buildup
108	4	Stripper well - protest procedure

Enter the appropriate information regarding other Purchasers/Contracts.

Line No	Contract Date (Mo, Da, Yr) (a)	Purchaser (b)	Buyer Code (c)
1			
2			
3			
4			
5			
6			

Remarks:

1/ Contractual authorization for collection by Hondo of the maximum lawful price specified in Item 8 of the FERC 121 Form is set forth on the attached area rate clause.

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
PRICE UNDER THE NATURAL GAS POLICY ACT (NAGPA)**

RECEIVED BY

AUG 13 1984

1.0 API well number: (If not assigned, leave blank. 14 digits.)	30 - 015- 23703 - O.C.D.				
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	108 Section of NGPA		-- Category Code		
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	_____ feet				
4.0 Name, address and code number of applicant. (35 letters per line maximum. If code number not available, leave blank.)	Hondo Oil & Gas Company, Division of Atlantic Richfield Company Name _____ Seller Code _____ P. O. Box 2819 (22-108 DAB) Street _____ Dallas, _____ Texas 75221 City _____ State _____ Zip Code _____				
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	N. Turkey Track Field Name _____ Eddy _____ NM County _____ State _____				
(b) For OCS wells:	Area Name _____ Block Number _____ Date of Lease: _____ Mo. Day Yr. OCS Lease Number _____				
(c) Name and identification number of this well: (35 letters and digits maximum.)	Hondo Sinclair State Com #1				
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	_____				
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	United Gas Pipe Line Company Name _____				019495 Buyer Code
(b) Date of the contract:	10 11 015 18 13 Mo. Day Yr.				
(c) Estimated total annual production from the well:	7.7 Million Cubic Feet				
		(a) Base Price as of 7-1-84	(b) Tax Estimated	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	S/MMBTU	2.407	0.265	0.000	2.672 ^{1/2}
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	S/MMBTU	3.994	0.340	0.000	4.334
9.0 Person responsible for this application:	Dottie J. Martinson Name _____ Title Director, Signature _____ Gas Regulations August 9, 1984 Date Application is Completed (214) 880-5165 Phone Number				