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ARTESIA, OFFICE



Southland Royalty Company

CERTIFIED MAIL

November 26, 1980

Office of the Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, D.C. 20426

Re: Notice of Increased Production ✓
New Mexico Y State #1
Eddy County, New Mexico
32-18-31

Gentlemen:

It has come to our attention that the referenced well disqualified for stripper classification during the three-month period of January through March 1980.

The computer program monitoring production on stripper wells had not yet been developed at the time this increase in production occurred. Although Southland used its best efforts to monitor monthly volumes from wells for which a Section 108 determination had been requested, it was most difficult to monitor volumes on an individual well basis in order to avoid this type of oversight since at that time all monitoring was done manually. Because of the success of the monitoring program since its implementation, we feel that failure to give timely notice of increased production will be much less likely to happen in the future.

Enclosed are an original and two copies of Southland's Written Notice required by Section 271.805(a)(1)(i) relating to production rates in excess of the limits specified by Section 108 of the NGPA from the New Mexico Y State #1. Copies of the Written Notice are being mailed to the appropriate jurisdictional agency and the purchaser.

We would appreciate your stamping the enclosed copy of this letter received and returning it to us in the envelope provided for your use.

Very truly yours,

Nickie Brennan
Gas Contract Specialist

NB/pk

Enclosures

cc: New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Phillips Petroleum Company
5 B4 Phillips Building
Bartlesville, Oklahoma 74003

1000 FORT WORTH CLUB TOWER (817) 390-9200 FORT WORTH, TEXAS 76102

DEPARTMENT OF ENERGY
FEDERAL ENERGY REGULATORY COMMISSION

Written Notice of Production Exceeding
Limits Prescribed By NGPA Section 108

Southland Royalty Company herewith files this written notice required by Section 271.805(a)(1)(i) of the Commission's Regulations that the following well has produced nonassociated natural gas at a rate exceeding an average of 60 MCF per production day for the 90-day production period hereafter identified.

Communications regarding this notice may be sent to:

Southland Royalty Company
1000 Fort Worth Club Tower
Fort Worth, Texas 76102
ATTENTION: Nickie Brennan
Telephone (817) 390-9422

1. The names and addresses of the operator and purchaser are:

Operator: Southland Royalty Company
1000 Fort Worth Club Tower
Fort Worth, Texas 76102

Purchaser: Phillips Petroleum Company
5 B4 Phillips Building
Bartlesville, Oklahoma 74003

2. The New Mexico Y State #1, located in the Yates Seven Rivers Queen Grayburg reservoir of Section 32, Township 18 South, Range 31 East in Eddy County, New Mexico, was determined to be a stripper well by the New Mexico Oil Conservation Division in Santa Fe, New Mexico on February 7, 1980.

3. The following monthly production reports are attached:

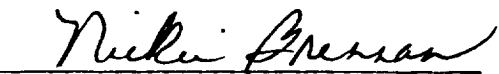
January, February and March 1980

4. The average production per day for the above stated period was:

1.60 MCF

5.05 B0

The information contained in this Notice is true and correct to my best knowledge and belief and copies of the Notice are being mailed to the appropriate jurisdictional agency and purchaser, as well as to the Commission.


Nickie Brennan

Notice
Page Two

STATE OF TEXAS
COUNTY OF TARRANT

Sworn and subscribed to before me this 26th day of November, 1980.

Phyllis A. Kellim
Notary Public in and for
Tarrant County, Texas

PHYLLIS A. KELLIM, Notary Public
in and for Tarrant County, Texas
My commission expires October 22, 1981

My Commission Expires: _____

WELL NO	UNIT	SEC	TYP	RNG	WELL STATUS	INJECTION		TOTAL LIQUIDS PRODUCED				3AS PRODUCED " (MCF)	DAYS PROD.	DISPOSITION OF GAS			DISPOSITION OF OIL			
						VOLUME	PRESS.	MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED	SOLD			TRANS POR- TEN	OTHER	C O D E	OIL ON HAND AT DEC. OF MONTH	BARRELS TRANS- PORTER	TRANS POR- TER	OTHER

SHUGART (Y. SR. Q. G.) cont.

New Mexico Y State													
1 G 32-18-31	Dual	I	12950	1800									
1 G 32-18-31	Dual	P			124	78	217	41	31				
2 A 32-18-31		T			0	0	0	0	0				
3 H 32-18-31		P			124	62	155	33	31				
4 M 32-18-31		P			31	9	93	5	31				
5 A 32-18-31		P			155	112	93	59	31				
LEASE TOTAL			12950		434	261	558	138		138	PP		
												230	250
												TNM	
													24

STATUS CODE F.....FLOWING P.....PUMPING G.....GAS LIFT S.....SHUT IN T.....TEMP ABANDONED I.....INJECTION D.....DISCONTINUED	OTHER GAS DISPOSITION CODE X.....USED OFF LEASE D.....USED FOR DRILLING C.....GAS LIFT L.....LOST (HCF ESTIMATED) E.....EXPLANATION ATTACHED R.....REPRESSURING OR V.....VENTED U.....USE IN LEASE	OTHER OIL DISPOSITION CODE C.....CIRCULATING OIL L.....LOST S.....SEDIMENTATION (SS&M) E.....EXPLANATION ATTACHED	I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE Charles L. Goodson Administrative Assistant Charles J. Goodson 2-22-80
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INJECTION		TOTAL LIQUIDS PRODUCED		DISPOSITION OF GAS		DISPOSITION OF OIL										
VOLUME	PRESS.	MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED	GAS PRODUCED (MCF)	DAYS PROD.	SOLD	TRANS POR-TEM	OTHER	C O D E	OIL ON HAND AT BEG. OF MONTH	BARRELS TO TRANS-PORTER	TRANS POR-TEM	OTHER	C O D E	OIL ON HAND AT END OF MONTH
IGART (Y. SR. Q. G.) CONT.																
New Mexico Y State																
1 G 32-18-31 Dual	I	11395	1800													
1 G 32-18-31 Dual	P		116	48	203	14	23									
2 A 32-18-31	T		0	0	0	0	0									
3 H 32-18-31	P		116	58	145	17	29									
4 M 32-18-31	P		29	8	87	2	29									
5 A 32-18-31	P		145	102	87	30	29									
LEASE TOTAL		11395	406	216	522	63		63	PP		241	251	TNM			206
STATUS CODE		OTHER- GAS DISPOSITION CODE		OTHER- OIL DISPOSITION CODE		I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE										
F.....FLOWING P.....PUMPING C.....GAS LIFT S.....SHUT IN T.....TEMP ABANDONED I.....INJECTION D.....DISCONTINUED		X.....USED OFF LEASE D.....USED FOR DRILLING C.....GAS LIFT L.....LOST (MCF ESTIMATED) E.....EXPLANATION ATTACHED R.....REPRESSURING OR V.....VENTED U.....USED ON LEASE		C.....CIRCULATING OIL L.....LOST S.....SEEDIMENTATION (GAS) E.....EXPLANATION ATTACHED												
						Charles L. Goodson Administrative Assistant Charles L. Goodson 3-24-80										

STATUS CODE	OTHER- GAS DISPOSITION CODE	OTHER- OIL DISPOSITION CODE
F.....FLOWING G.....GAS LIFT S.....SHUT IN T.....TEMP ABANDONED I.....INJECTION D.....DISCONTINUED	X.....USED OFF LEASE D.....USED FOR DRILLING L.....GAS LIFT C.....LOST (MCF ESTIMATED) E.....EXPLANATION ATTACHED R.....REPRESSURING OR P.....PRESSURE MAINTENANCE U.....WITH ON LEASE	C.....CIRCULATING OIL L.....LOST S.....SEDIMENTATION (OSGW) E.....EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

Charles L. Goodson
Administrative Assistant

Charles L. Goodson
3-24-80

March 1980 ... 51

LEASE TOTAL

END OF

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

Charles L. Goodson

Administrative Assistant

2017 7 11

**APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION**

FOR DIVISION USE ONLY

DATE OF: APPLICATION 1/22/80

DETERMINATION 2/7/80

CONTESTED No

PARTICIPANTS /

Operator Thland Royalty Company

Address 0 Fort Worth Club Tower, Fort Worth, Texas 76102

Location of Well G 2310 FEET FROM THE East LINE AND 1650 FEET FROM

North LINE, SECTION 32 TOWNSHIP 18S RANGE 31E MAP NO.

11. Name and Address of Transporter(s)

Phillips Petroleum Co., 5B 4 Phillips Bldg., Bartlesville, OK 74003

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

☐ a. Location Plat

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

☐ a. C-122 Multipoint and one point back pressure test

5. NEW ONSHORE PRODUCTION WELL

☐ a. C-102 WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ b. No. of order authorizing infill program

6. STRIPPER GAS

☐ a. C-116 GAS-OIL RATIO TEST

☒ b. PRODUCTION CURVE FOR 12-MONTH PERIOD

☒ c. PRODUCTION CURVE FOR THE 90-DAY PERIOD ON WHICH THE APPLICATION IS BASED

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Hickie Brennan
NAME OF APPLICANT (Type or Print)

Title Gas Contracts Specialist

Date 1/15/80

Signed Hickie Brennan

Kind of Lease	State, Federal or Free State
2. State Oil & Gas Lease No.	E-10001
7. Unit Agreement Name	
8. Name of Lease Tract	New Mexico Y State
9. Well No.	#1
10. Field and Pool, or Wildcat	Shugart Yates Seven Rivers Queen Grayburg
12. County	Eddy

**RECEIVED
JAN 22 1980
Oil Conservation**

DIVISION USE ONLY

☒ Approved

☐ Disapproved

The information contained herein includes all of the information required to be filed by the applicant under Subpart B of Part 274.

[Signature]