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FERC-121

O. C. S.
ARTICLE, OFFICE

Form Approved
OMB No. 038-R0381

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

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

PLEASE READ BEFORE COMPLETING THIS FORM:

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 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. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 275-4539.

Specific Instructions for Item 2.0, Type of Determination:

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103	-	New onshore production well
107	-	High cost natural gas
108	-	Stripper well

Other Purchasers/Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:

Form 9-2009 (Jan. 1980)

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OMB 42-R 1775

UNITED STATES DEPARTMENT OF THE INTERIOR Geological Survey

JAN 12 1981

O. C. B. ARTESIA, OFFICE

SUPPLEMENTARY APPLICATION FOR NATURAL GAS CATEGORY DETERMINATION (See reverse side for instructions)

This form is required by the Oil and Gas Supervisor, Conservation Division, Geological Survey, the jurisdictional agency charged with determinations under the Natural Gas Policy Act of 1978, P.L. 95-621, for Federal, Indian, and OCS lands. The data requested is a requirement of the Federal Energy Regulatory Commission regulation 18 CFR 274, Determination by Jurisdictional Agencies. All such data must be forwarded to the Federal Energy Regulatory Commission by the Supervisor

11. APPLICANT	
CITIES SERVICE COMPANY	1. API WELL NO. 30-015-23252
ADDRESS Box 1919 Midland, Texas 79702	2. LEASE NO.
TELEPHONE 915-685-5600	3. LEASE NAME AND WELL NO. GOVERNMENT AK #1
12. REQUEST CATEGORY FOR DETERMINATION:	
<input type="checkbox"/> Section 102(c)(1)(A), New OCS Leases	4. SEC., T. & R. Section 7, T19S, R21E
<input checked="" type="checkbox"/> Section 102(c)(1)(B), New Onshore Wells	5. AREA AND BLOCK (OCS)
<input type="checkbox"/> Section 102(c)(1)(C), New Onshore Reservoirs	6. FIELD Wildcat - Abo
<input type="checkbox"/> Section 102(d), New Reservoirs on Old OCS Leases	7. RESERVOIR Abo
<input type="checkbox"/> Section 103(c), New Onshore Production Well	8. COUNTY AND STATE Eddy County, New Mexico
<input type="checkbox"/> Section 107(c), High-Cost Natural Gas	9. OPERATOR Cities Service Company
<input type="checkbox"/> Section 108(b), Stripper-Well Natural Gas	10. TYPE OF WELL: <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL
13. PERSON RESPONSIBLE FOR ANSWER QUESTIONS	
K. D. Van Horn	
ADDRESS Box 1919 Midland, Texas 79702	
TELEPHONE NO. 915-685-5600	

14. NEWSPAPER, CITY, STATE, AND DATE (OR EXPECTED DATE) OF NOTICE
Carlsbad Current - Argus, Carlsbad, New Mexico, January 12, 1981

15. GAS PURCHASER
Uncommitted

ADDRESS

GAS PURCHASER

ADDRESS

16. COLESSEE AND/OR WORKING INTEREST OWNER
None

ADDRESS

COLESSEE AND/OR WORKING INTEREST OWNER

ADDRESS

17. ATTACH THE APPROPRIATE CHECKLIST AND SUPPORT DATA (See instructions)
I CERTIFY THAT THE FOREGOING AND THE CHECKLIST ATTACHED ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AS DETERMINED FROM AVAILABLE RECORDS.

18. NAME: K. D. Van Horn
SIGNATURE: *K. D. Van Horn*

TITLE: Manager-Production Southwest Region
DATE: JAN. 7, 1981

INSTRUCTIONS TO COMPLETE FORM 9-2009

1. The API well number of the well of interest. If not known for onshore wells, ask the State or one of the petroleum information organizations.
2. The lease number as it appears on the lease agreement for a Federal, Indian, or OCS lease.
3. The lease name (onshore) and well number, including the appropriate designation for a multiple completion.
4. The section, township, and range of the well location (onshore).
5. The designated OCS area and block number.
6. The name of the field bounding the well.
7. The name of the reservoir being produced by the well.
8. The name of the county and State bounding the well. For the OCS, enter the nearby State.
9. The designated operator of the lease.
10. Check one in accordance with the following:
 - An oil well produces crude oil as defined under 18 CFR 270.102(b)(5).
 - A gas well produces hydrocarbons that exist as a gas in the reservoir.

For those cases where formation samples or other reservoir data for the reservoir of interest or for similar neighboring reservoirs are not available to make a type-of-well determination, the choice between an oil well and a gas well may be based on the measured API gravity with these qualifications:

- Any well producing a liquid with an API gravity of 50° or higher, regardless of the color, shall be considered to be a gas well.
 - Any well producing a liquid with an API gravity of 45° or lower, regardless of color, shall be considered to be an oil well.
 - - Any well producing a liquid with an API gravity more than 45° but less than 50° shall be considered to be a gas well if the liquid is light, neutral, or straw colored and not dark in appearance.
11. The name, address, and telephone number of the applicant.
 12. The requested category for determination. Check one.
 13. The name, address, and telephone number of the person responsible for questions. If same as applicant, mark "same."
 14. The daily newspaper requested to publish the notice of filing. Also, the city, State, and the date or expected date of publication.
 15. The name and address of the gas purchasers. If more than two, attach a listing.
 16. The name and address of the colessees and/or working interest owners. If more than two, attach a listing.
 17. Fill out and attach the enclosed checklist headed the same as the requested category checked under item 12. Also, attach the support data appropriate to the checklist.
 18. The name, title, and signature of the person or official responsible for the application.

For Section 103(c), New Onshore Production Well

Mark below to indicate the materials reviewed and relevant to the request. Attach accordingly.

In conformance with Office of Management and Budget Guidelines, data of a specific nature such as a Geological Survey form, a directional drilling survey, etc., which has already been submitted to the Supervisor for another purpose, shall not be submitted again as a requirement but may be submitted voluntarily. If such data is not submitted, the applicant shall so indicate below that the data is on file with the Supervisor. (In choosing not to submit the data, the applicant must understand that processing of the application may be delayed several days and perhaps weeks while the Supervisor locates and reproduces the data.)

1. Form FERC 121, Application for Determination of the Maximum Lawful Price Under the Natural Gas Policy Act. X
2. A statement(s) under oath as required by FERC for each application, including answers to certain questions as applicable. X
3. A statement that completed copies of Form FERC 121 have been forwarded to the purchaser(s) and to the colessees and/or the working interest owners. X
4. A statement of certification for each of the supporting documents, except for the conventional Geological Survey agreements and forms already certified. X
5. Form 9-330, Well Completion or Recompletion Report and Log. X
6. A plat locating and identifying the well of interest and the outline of the proration unit. Also, identification and explanation of any other wells within the proration unit. X
7. A copy of the State Spacing Order, or, as applicable, the appropriate reference to a State regulation and/or a Federal unit agreement. X
8. For a new well which was spudded on or after February 19, 1977, and drilled as an additional well into an existing proration unit, a copy of the record developed prior to the commencement of drilling (as reasonably possible to do so), with geological and engineering support data included, sufficient to support a finding that the new well is necessary. Also, support data acquired after commencement of drilling, as appropriate. N.A.
9. Other: _____
