APPLICATION FOR DETERMINATION AS NATURAL GAS WELL

Operator _____ Producing Party _____

Address _____ Phone No. _____

Lease _____ Well No. _____ Unit _____ Sec. _____ Twp. _____ Rge. _____

Pool Name _____ Minimum Rate Requested _____

Transporter _____ Purchaser (if different) _____

Are you seeking emergency "hardship" classification for this well? _____ yes _____ no

Applicant must provide the following information to support his contention that the subject well qualifies as a hardship gas well.

1) Provide a statement of the problem which leads the applicant to believe that "underground waste" will occur if the subject well is shut-in or is curtailed below its ability to produce. (The definition of underground waste is shown on the reverse side of this form)

2) Document that you as applicant have done all you reasonably and economically can do to eliminate or prevent the problem(s) leading to this application.

   a) Well history. Explain fully all attempts made to remedy the problem. If no attempts have been made, explain reasons for failure to do so.

   b) Mechanical condition of the well (provide wellbore sketch). Explain fully mechanical attempts to rectify the problem, including but not limited to:

      i) the use of "smallbore" subing or other de-watering devices, such as plunger lift, rod pumping units, etc.

   Present historical data which demonstrates conditions that can lead to waste. Such data should include:

   a) Permanent loss of productivity after shut-in periods (i.e., formation damage).

   b) Frequency of swabbing required after the well is shut-in or curtailed.

   c) Length of time swabbing is required to return well to production after being shut-in.

   d) Actual cost figures showing inability to continue operations without special relief.

3) If failure to obtain a hardship gas well classification would result in premature abandonment, calculate the quantity of gas reserves which would be lost.

4) Show the minimum sustainable producing rate of the subject well. This rate can be determined by:

   a) Minimum flow or "log off" rate; and/or

   b) Documentation of well production history (producing rates and pressures, as well as gas/water ratio, both before and after shut-in periods due to the well dying, and other appropriate production data).

5) Attach a plat and/or list showing the production unit dedicated to the well and the ownership of all offsetting acreage.

6) Submit any other appropriate data which will support the need for a hardship classification.

7) If the well is in a prorated pool, please show its current under- or over-produced status.

8) Attach a signed statement certifying that all information submitted with this application is true and correct to the best of your knowledge; that one copy of the application has been submitted to the appropriate Commission district office (give the name) and that notice of this application has been given to the transporter/purchaser and all offset operators.

EXHIBIT "I" CASE NO. 7777 ORDER NO. R-7481