STATE OF NEW MEXICO



ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

September 29, 1986

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

Mr. Robert Lansford P. O. Box 1206 Jal, New Mexico 88252

> Re: El Paso State No. 1 - J-22-238-36E El Paso Plant No. 1 - L-32-238-37E

Dear Mr. Lansford:

Your letter dated September 23, and Mr. Zimmer's letter of September 16 have been received and reviewed in this office. We have also reviewed Order No. R-7458 and determined that, considering it was entered prior to the creation of the hardship gas well classification, that order is tantamount to a hardship gas well classification. As a consequence the two wells captioned above are hereby accorded that priority.

Mr. Zimmer's letter mentioned complaints by a joint interest owner. We are concerned about the nature of such a complaint and, if it is based on facts which would cause the Division to reconsider the findings of Order No. R-7458, we would be happy to review the circumstances.

In our view, however, until we have reason to find otherwise, the captioned wells are to be accorded the priority of hardship wells because of the possibility of waste if such wells are shut-in.

Yours very truly,

VICTOR T. LYON, Chief Engineer

ce: Harry I, Zimmer III El Paso Natural Gas

> Jerry Sexton, Hobbs District Office