

August 25, 1992

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

Attn: Mr. Mike Williams District II Supervisor

Re: State "K" 6096A #1 Unit Letter N, Sec. 28, T-19-S , R-25-E

Dear Mr. Williams:

Texaco Exploration and Production Inc. requests an exemption from the Gas Well Shut-In Pressure Report for 1992 for the above well. The gas transporter for this well is Feagan Gathering Company. The gas produced by the well is used as supply gas by Feagan to operate its gas compressors in the Dagger Draw field. If the twenty-four hour shut-in pressure test is conducted on this well, Feagan will have to shut down its compressors, which in turn would mean shutting down Texaco's Dagger Draw leases. Texaco operates seven wells on the DD 24 Federal, DD 25 Federal, and EE 24 Federal leases in the Dagger Draw field with an average daily oil production of one thousand barrels and an average daily gas production of 4650 MCF.

It is understood that if this exemption is approved that it applies only to the Gas Well Shut-In Pressure Report for 1992. It is also understood that if this well is shut-in for any other reason the shut-in pressure test will then be conducted.

If you have any questions concerning this request, please contact me at 397-0418 or 393-7191. Thank you for your assistance in this matter.

Yours very truly,

M.C. Duncan Engineer's Assistant

Approved by Approval Date <u>9-4-92</u>

-----

/mcd Chrono