

September 8, 1995

New Mexico Oil Conservation Division, District II 811 South 1st Street Artesia, N. M. 88210

Attn: Mr. Tim Gum District II Supervisor SEP 1 1 1995

OIL CON. DIV. Re: Gas Well Shut-In Pressure Report Exemption Req**CHSU**. 2 New Mexico DF State Com #1 Unit Letter J, Sec. 32, T-21-S , R-23-E API 30-025-10723

Mr. Gum:

Texaco Exploration and Production Inc. requests an exemption from the Gas Well Shut-In Pressure Report for 1995 for the above well. This well is currently averaging 9 oil and 6738 MCF per day. Considering the well's significant gas production, if the 24 hour shut-in pressure test is conducted, both TEPI and the State of New Mexico will realize lost revenues. In addition to the lost revenue, there is the possibility of killing the well while it is shut-in for the pressure test. This would mean additional downtime and swabbing costs.

It is understood that if this exemption is approved that it applies only to the Gas Well Shut-In Pressure Report for 1995. 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 Ray Short @ (505) 887-5676, Kirk Spilman @ 397-0413, or myself @ 397-0418. Thank you for your assistance in this matter.

Yours very truly, Morte Caman

Monte C. Duncan Engineer's Assistant

Approved by Jun 4. Approval Date 9/20/9

/mcd cc: Ray Short, TEPI; Kirk Spilman, TEPI Chrono