



28 October, 1977

Oil Conservation Commission
State of New Mexico
P. O. Drawer DD
Artesia, New Mexico 88210

Attn: W. A. Gressett

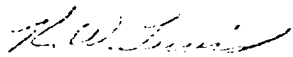
Re : Exception to OCC Rule 112-A-6-C
Annual Packer Leakage Test
State 36 No. 1, 660' FWL & 1980'
FSL, Sec. 36, T21S, R27E, Eddy
County, New Mexico

Gentlemen:

Champlin Petroleum Company requests an exception to OCC Rule 112-A-6-C, Annual Packer Leakage Test, for the State "36" Well No. 1 which is a dual Morrow and Wolfcamp gas well in the East Carlsbad Field. The Morrow zone of this well was off production from November, 1976 to September 11, 1977. Prior to November, 1976 the well was producing 850-1,000 MCFPD. At two separate times, the well was worked on in attempts to re-establish production from the Morrow zone. The first attempt in January & February of 1977 was unsuccessful. The second attempt, which lasted from June 21 to September 11, 1977, was successful in that the Morrow has been restored to production status, however, the gas volume is only averaging about one-fourth of the rate of October, 1976. While the work was being performed on the well, an undetermined amount of load water was "lost" in the Morrow zone. When the well was first put back on line, the gas rate was so low that the well would load up with water and had to be blown to atmosphere at least once a week. The well has continued to "clean up" while it has been producing and the rate has improved sufficiently that during the week 10-15 to 10-21-77 the well appeared to unload the water daily by itself. During that week the well averaged 245 MCFPD & 8 BWPD. During the past week (10-22 to 10-28) the well averaged 268 MCFPD & 7 BWPD. The water is analyzed frequently for chlorides and the tests indicate the water to be load water. Champlin will continue to monitor the well's production and the chlorides of the produced water and when the well dries up and/or the gas production stabilizes, the packer leakage test will be run.

Champlin is very appreciative of the commission's patience in this matter and is hopeful that the test may be conducted within the next 60 days.

Yours very truly,
CHAMPLIN PETROLEUM COMPANY


K. W. Lewis
District Engineer

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