Houston L ision Production Operations, U.S. & Canada



P.O. Box 2409 Hobbs, New Mexico 88240 Telephone 505/393-7106

February 23, 1981

RECEIVED

FEB 2 4 1981

Mr. W. A. Gressett Energy and Minerals Department Oil Conservation Division P.O. Drawer "DD" Artesia, NM 88210

O. C. D. ARTESIA, OFFICE

Re: Exemption of Marathon Oil Company's Federal IBD Gas Com Well No. 2 (Located 800' FNL & 200' FEL, Sec. 30, T-21S, R-23E, Eddy County, New Mexico) from a new well 4-point test.

Dear Mr. Gressett:

Marathon Oil Company respectfully requests an exemption from the 4-point potential test for a new gas well.

This well produces a large amount of water along with the gas. If the choke setting is increased, the amount of produced water will increase, but the gas rate will remain nearly constant. For example, at a choke setting of 14/64" the well produces 144 BWPD and 580 MCFPD. At a choke setting of 16/64" the well produces 228 BWPD and 583 MCFPD. At a choke setting of 18/64" the well produces 236 BW and 572 MCFPD. Thus, at various choke settings, the gas flow rate is almost constant. Therefore a 4-point test would be of no value since the four readings for the test would be the same. If the well is shut in entirely the water will kill the well. After the well has been shut in it requires nearly a week to swab it in because of the large amount of water it produces.

The well is being produced into a compressor because the well will not flow by itself into the gathering system.

I hope this fully explains the situation that exists in the subject well, and the reasons for Marathon's request for an exemption from the 4-point test.

Very truly yours, C. C. South

Calvin C. Saathoff

PNB:1bp