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June 24, 1974

RECEIVED

Mr. W. A. Gressett New Mexico Oil Conservation Commission P. O. Drawer DD Artesia, New Mexico 88210

JUN 2 5 1 1 1

O. C. C. ARTESIA, OFFICE

Re: Exception to O.C.C. Rule 112-A-VIC and Rule 402 Pennzoil's - Mobil "12" Federal No. 1 and Gulf Federal No. 1 South Carlsbad Morrow and South Carlsbad Atoka Pools Eddy County, New Mexico

Dear Bill:

This letter is to confirm our telephone conversation today, June 24, 1974 in which you granted permission to delay the running of the annual shut-in pressure test on the Mobil "12" Federal #1 and the Gulf Federal #1, and the annual packer leakage test on the Mobil "12" Federal #1. Both of the required tests will be run in the latter part of October.

This delay is requested so that we may evaluate the performance of these wells while using a compressor to lower the well head pressures.

You will be notified of the time when the test will be run.

Thank you for your attention on this subject, I am,

Yours very truly,

PENNZOIL COMPANY Western Division A. C. Raney

Petroleum Engineer

JCR:tb cc: N.M.O.C.C. P. O. Box 2088 Santa Fe, New Mexico 87501 Attention: Mr. A. L. Porter, Jr.