OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

August 9, 1973

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Exxon Company, USA P. O. Box 1600 Midland, Texas 79701

D. C. C.

Attention: Mr. R. E. Hammond

Administrative Order TX-40

Gentlemen:

Reference is made to your recent application for an exception to Rule 107(D)(2) of the Commission Rules and Regulations to permit the production of gas through the 3 1/2inch O.D. casing in your South Carlsbad Com Well No. 1 located in Unit N of Section 23, Township 23 South, Range 25 East, South Carlsbad Morrow Gas Pool, Eddy County, New Mexico. It is our understanding that the gas produced from this well is extremely dry and not of a corrosive nature.

Exxon Company, USA, is hereby granted an exception to the aforesaid rule for the subject well, provided however that this authority may be rescinded at any time that due to liquids or other production problems it may be deemed advisable to install tubing.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/dr

cc: voil Conservation Commission - Artesia Oil & Gas Engineering Committee - Hobbs