

ExxonMobil Production Company

U.S. West

P.O. Box 4697

Houston, Texas 77210-4697

OIL CONSERVATION DIV.

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ExxonMobil
Production

July 5, 2002

**NMOCD Rule 402 and Annual Gas Well
Shut-In Pressure Tests**

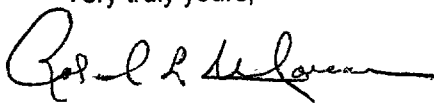
Lori Wrotenbery, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Ms. Wrotenbery:

Exxon Mobil Corporation supports repeal of the current Rule 402 requirement to obtain annual shut-in pressures for gas wells in New Mexico. Most of the gas wells we operate have been producing for several years and the additional information which may be obtained from the annual shut-in pressures is minimal compared to the loss of production incurred. For some wells the production loss due to shut-in carries over for some time as the well cleans up to its pre-test rate. If complete elimination of this testing is not possible at this time, we would support filing shut-in pressure observations after any shut-in periods necessitated by other operational situations, changing the rule to allow operators to conduct the shut-in at any time during the year, and / or reducing the frequency of the any required testing.

Thank you for this opportunity to comment on Rule 402. If you have any questions, please call Bill Duncan at (713) 431-1019.

Very truly yours,



Roland L. Moreau
Regulatory/Safety/OIMS Manager

RLM/WTB:mb

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
OCD	Exhibit No. 1
Case No.	12934