STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HORRS DISTRICT OFFICE

October 3, 1988

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Bass Enterprises Production Company 3700 Claydesta National Bank P.O. Box 2760 Midland, TX 79702

Attn: Mr. George A. Teer

Re: Exception to Rule 402

Gentlemen:

As requested in your September 29, 1988, letter, and for the reason outlined therein, the well listed below will be exempt from the shutin pressure test requirement of Division Rule 402. This exemption is being made on a non-expiring basis pending workover or shut in of the well.

OUAIL RIDGE-MORROW GAS POOL

Bass 32 State Well #1-C Section 32, T19S, R34E

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton

Supervisor, District I

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cc: Vic Lyon

OCD Santa Fe

Phillips 66 Natural Gas

Odessa, TX 79762