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REPLY BY FAX

September 19, 2000

Mr. Chris Williams, Supervisor  
Oil Conservation Division  
District I  
1625 N. French Drive  
Hobbs, New Mexico 88240

RE: Request for Exemption from Annual Gas Well Shut-In Pressure Tests, 2000  
Bilbrey 34 Federal #1, API #30-025-31120, C-34-21S-32E  
Bilbrey, Morrow Gas (72124) Lea County, New Mexico

Dear Mr. Williams:

In regard to your request for additional information on the above referred well, the following will address your questions:

- (1) The well has been shut in for yearly C-125 tests prior to the 1999 test year when an exception was requested because of the coil tube installation performed that year.
- (2) The current production average is "0" oil, trace water and 26 MCF/D gas with a continual decline in production.
- (3) In this area, the older, depleted Morrow wells (such as this well) are prone to load up with water and die.
- (4) It cannot be efficiently swabbed after loading because of the presence of the coil tubing.

Please call me or Phillip Smith, Operations Manager, at (915) 684-7441 if you have further question regarding this request. Thank you for your assistance in this matter.

Sincerely,

  
Dorothea Logan  
Regulatory Analyst

*OK Chris Williams - exemption from  
gas well shut in pressure test 9-21-00.*