

MUELLER ENGINEERING CORP.

PETROLEUM CONSULTANTS
1010 FIRST CITY TOWER II
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November 29, 1995

Mr. Tim Gum, District Supervisor
New Mexico Oil & Gas Conservation Division
811 South 1st
Artesia, New Mexico 88210

RE: Request for exception to shut-in pressure testing requirements

Dear Mr. Gum:

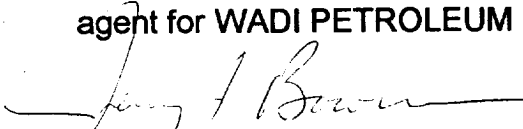
With reference to our telephone conversation concerning the above subject, Wadi Petroleum Inc. respectfully requests an exemption from New Mexico's annual gas well shut -in pressure test requirement for the following three wells:

<u>Lease/Well</u>	<u>Location</u>	<u>API Number</u>	<u>Average Producing Rates</u> <u>Gas (MCFD) Water (BWPD)</u>	<u>Flowing</u> <u>Pressure (psi)</u>
Carlsbad 13 Com #1	13-22S-26E	3015-21999	194 (trace)	150 to 190
Fed 22 Com #1	22-24S-26E	3015-21583	725 1.3	165 to 215
Penn 9 Fed Com #1	9-24S-26E	3015-22038	177 (trace)	180 to 340

An exemption is requested due to the risk of permanently damaging these old completions. The low flowing tubing pressures fluctuate from day to day, as our gauger continually fights to keep the wells unloaded and free of salt deposits. We were recently forced to shut-in our other five gas wells in the area due to pipeline repairs (four wells) and tank repairs (one well). The shut-in pressures for these five wells are shown on the attached form C-125. Production levels from these five wells have not yet returned to normal since the shut-in periods.

Thanks for your help with this matter. Please call or write if I can be of service in any way.

Sincerely,
MUELLER ENGINEERING CORP.
agent for WADI PETROLEUM INC.


Jerry F. Bowen, P.E.
Sr. Staff Engineer

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