M _LER ENGINEERING CORP.

PETROLEUM CONSULTANTS 1010 FIRST CITY TOWER II 555 NORTH CARANCAHUA CORPUS CHRISTI, TEXAS 78478-0501 (512) 883-1911 FAX (512) 883-1909

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:

| Lease/Well | Location | API Number | Average Proc <u>Gas (MCFD)</u> <u>V</u> | | Flowing <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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