

MADDOX ENERGY CORPORATION  
P. O. BOX 217  
LOVING, NEW MEXICO 88256  
505:745-3524

RECEIVED

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O. C. D.  
ARTESIA, OFFICE

July 6, 1983

Mr. Leslie A. Clements  
State of New Mexico  
Oil Conservation Division  
Drawer DD  
Artesia, New Mexico 88210

Dear Mr. Clements:

Maddox Energy Corporation hereby requests an exemption from the "Annual Gas Well Shut-In Pressure Test" (Form C-125) as required by OCD Rule 402 for our Malaga No. 1 well. The subject well is located in Section 3, T-24-S, R-28-E, and is producing from the Atoka sand through a perforated interval of 11,672' to 11,686'.


The well has declined from an initial rate in excess of 10 MMCFPD to a current rate of 400 MCFPD with a FTP of 100 psi. The well makes sporadic heads of water causing difficulty in returning the well to production. The well currently shuts in with 900 psi and usually requires from 3 to 10 days to return it to production even after a brief shut-in period.

Because of the rapid decline, water production and weak character of the well, shut-in of the well for the annual pressure test might result in the well loading up, making production restoration difficult or impossible. This could result in the loss of necessary and valuable energy reserves.

Your consideration of this request is appreciated. Please contact Maddox Energy should you require additional information.

Sincerely,

MADDOX ENERGY CORPORATION

  
Carter Hughes  
Production Supervisor

CH:bh