

State of NM Oil Conservation Division
July 30, 1991
Page 2

- Attachment #6: 5-page summary of May 1991 recompletion and testing data
- Attachment #7: Copy of 5/14/91 Cement Bond log.

Our records indicate that a copy of the 4-point test results and AOF calculation were mailed to you on June 10, 1991. If you do not have those, please let us know and duplicates will be forwarded.

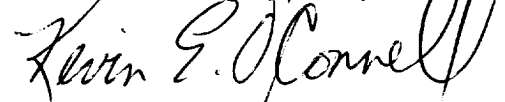
Mike, as you can see we have increased the deliverability substantially, from 400-500 MCFD previously to in excess of 5000 MCFD currently, by recompleting uphole to additional Morrow "A" and "B" zones. The Morrow "C" zone that previously produced is now isolated under a packer arrangement that will allow for future commingling of all the Morrow zones (A, B & C), when reservoir pressures are equal and crossflow will not occur, by simply raising the tubing string 10-15 feet.

Hallwood is also planning on seeking a higher allowable for this well at the upcoming August 29, 1991 hearing in Santa Fe, in order to obtain a new allowable that is more representative of the well's improved (increased) deliverability.

If you have any questions or require any additional information please contact me at (303) 850-7373 or 1-800-388-4833.

Sincerely,

HALLWOOD PETROLEUM, INC.



Kevin O'Connell
Drilling & Production Supervisor
Western District

Enclosures

cc: Bruce Bowman
Eva Kardas
Well File
Victor Lyons - Santa Fe

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