

Unocal Oil & Gas Division
Unocal Corporation
1004 North Big Spring Street, Suite 300
P.O. Box 671
Midland, Texas 79702
Telephone (915) 684-8231



Southwestern Region

October 19, 1992

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87501

Attn: David Catanach

Re: Off-Lease Storage
& Measurement
Federal "G" #1

Gentlemen:

Unocal respectfully requests approval for off-lease storage and measurement for our Federal "G" Well No. 1 located in the SW/4 NE/4 of Sec. 31, Twp. 9S, Rge. 36E, Lea County, New Mexico. The tank batteries will be located in the SE/4 SE/4 of Sec. 31, Twp. 9S, Rge. 36E on our Federal "D" lease. Unocal is requesting this proposal for the purpose of producing Federal "G" which is an economical flowing oil well from the Devonian formation. The off-lease storage and sales at the site of the Federal "D" battery reduces land damages in comparison to erecting a new tank battery on the "G" lease. The surface owner is the same on the "G" and the "D" lease and has agreed to the storage facilities as described.

Federal "G" Well No. 1 is currently producing 57 BOPD (gravity is 43.7 deg @ 60 deg F), a trace of water, and no gas.

Fluids from the Federal "G" will flow from the well down a two-inch flowline to the Federal "D" battery. At this time the well is making oil with just a trace of water, therefore the separation vessel is bypassed. The oil is flowed directly into one of the two tanks dedicated to the Federal "G" production. The Federal "G" production facilities are separate and isolated from the Federal "D" production facilities. Federal "G" oil production and sales is measured by tank gauging methods and the oil is sold by truck, shipped by Pride Oil Company and purchased by Unocal.

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October 19, 1992
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Attached is a map showing lease numbers and location of all leases and wells connected to the proposed off-lease facility. Also attached is a schematic diagram of the production facilities on our Federal "D" lease.

If you need additional information, please call me at (915) 682-9731, ext. 119.

Very truly yours,

Charlotte Beeson

Charlotte Beeson
Drilling Clerk

cab
Attachments

Submit to Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Union Oil Co. of Calif.			Lease Federal "G"		Well No. 1
Unit Letter G	Section 31	Township 9S	Range 36E	County NMPM	Lea

Actual Footage Location of Well:

2310 feet from the north line and		2173 feet from the east line	
Ground level Elev. 4067'	Producing Formation Devonian	Pool West Crossroads	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

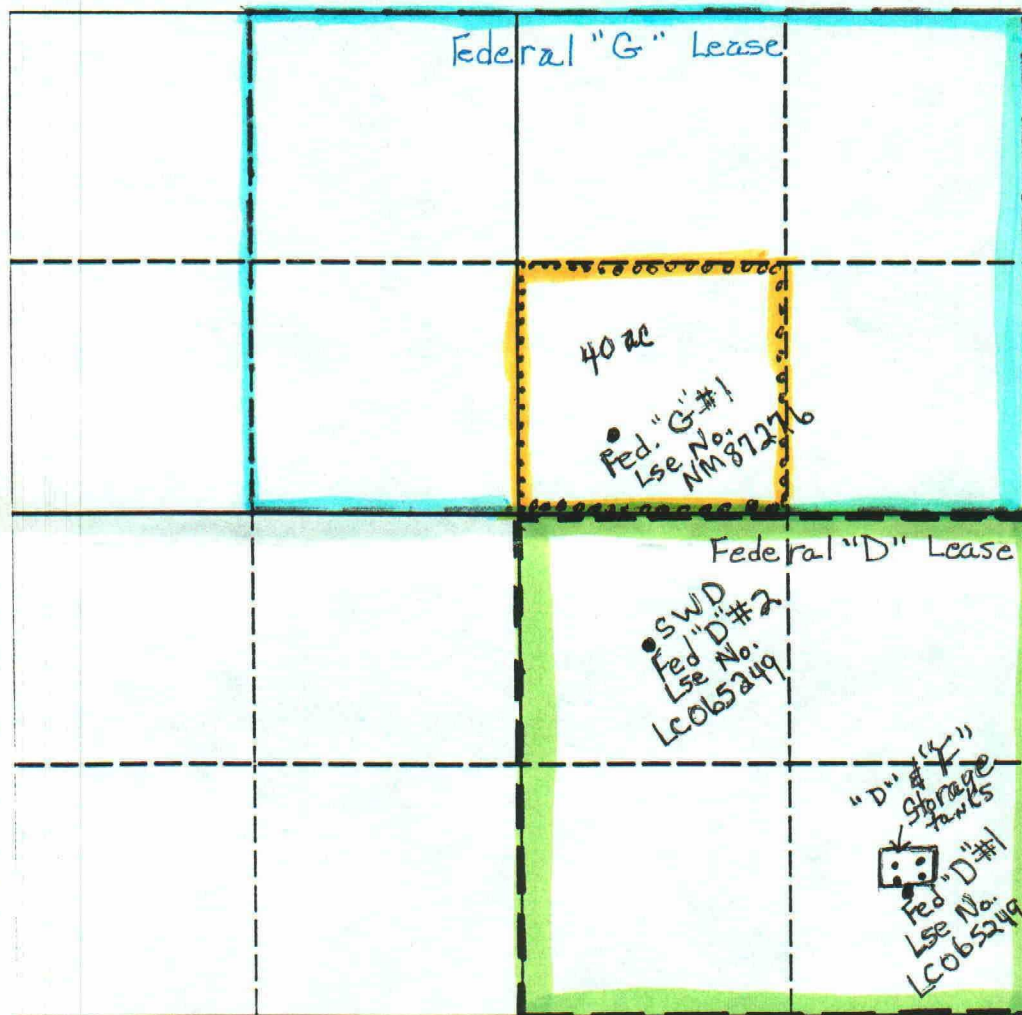
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Charlotte Beeson
Printed Name
Charlotte Beeson
Position
Drilling Clerk
Company
Union Oil Co. of Calif.
Date
10-12-92

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Signature & Seal of Professional Surveyor

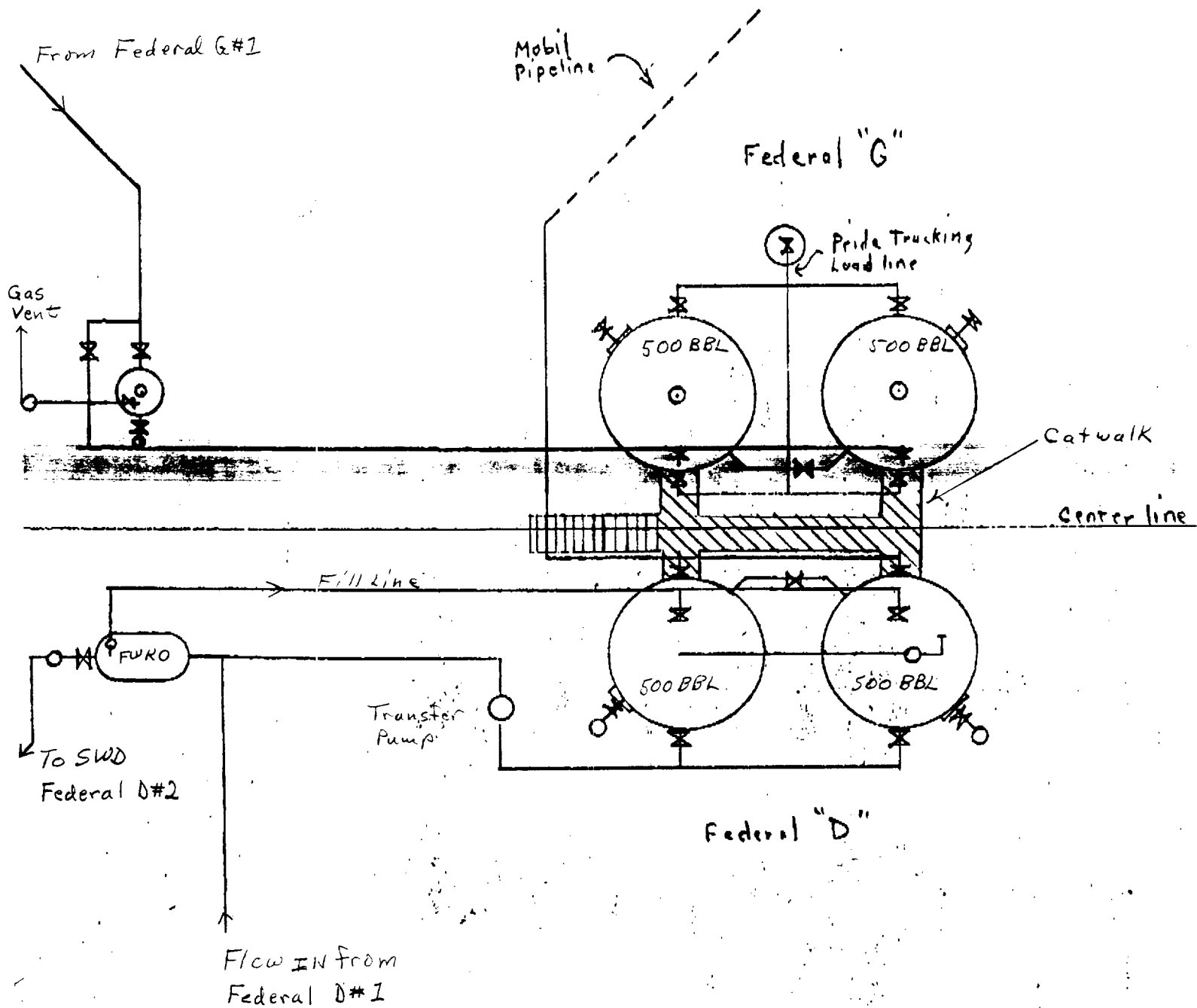
Certificate No.

OFF-LEASE STORAGE AND MEASUREMENT

FEDERAL "G" #1

G SEC 31, TWP 9S, RGE 36E

LEA COUNTY, NEW MEXICO



Unocal North American
Oil & Gas Division
Unocal Corporation
P.O. Drawer 1749
Andrews, Texas 79714
Telephone (915) 523-7304

UNOCAL 76

August 8, 1991

Attn: Vicente R. Balderaz
Bureau of Land Management
Lea County Inspection Station
P. O. Box 1157
Hobbs, N. M. 88240-1157

RE: N. M. 3864
Federal Well "G" No. 1
Crossroads West Field
SENE 31-92-36E


The Federal "D" Well No. 1, a submersible producing well was shut in on December 28, 1990 to repair the downhole equipment damaged by lightening. On January 7, 1991 after the equipment was repaired the Federal "G" Well No. 1 SWD was back flowed to the Federal "D" No. 1 production battery to reduce the tubing pressure and the well began flowing oil which had carried over during normal production operation.

The Federal "G" Well No. 1 was back flowed to the battery from January 7, 1991 to June 18, 1991. The producing well Federal "D" Well No. 1 was shut in during this time and all of the oil recovered, production reported and royalty paid from this lease until June 18, 1991 was from the Federal "G" Well No. 1.

The Federal "G" Well No. 1 is located in the Unit "G" of Section 31, Township 9 South, Range 36 East, NMPM, West Crossroads-Devonian Pool, Lea County, New Mexico. Please find attached for your reference the corrected monthly regulatory reports. The total oil recovered summary is shown below.

Well #	Month	Gross	Daily	Comments
Fed G No. 1	January	1382 BBLS MO.	57 BOPD	24 days
Fed G No. 1	February	1524 BBLS MO.	54 BOPD	28 days
Fed G No. 1	March	1538 BBLS MO.	50 BOPD	31 days
Fed G No. 1	April	1380 BBLS MO.	46 BOPD	30 days
Fed G No. 1	May	1279 BBLS MO.	41 BOPD	31 days
Fed G No. 1	June	603 BBLS MO.	34 BOPD	18 days
Fed D No. 1	June	421 BBLS MO.	47 BOPD	9 days

If you have any questions or need additional information concerning this matter please contact Donald Tyler or me at 915-523-7304.


J. N. Parker
Production Manager
Andrews District