

UNOCAL

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 lightning. 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