

MIDLAND DISTRICT: BRIERCROFT SAVINGS BUILDING • (915) 682-7316 MAILING ADDRESS, P. C. DRAWER 1828 MIDLAND, TEXAS 79702-1828

J. L. PETTIT District Petroleum Engineer

June 11, 1986

Energy and Minerals Department Oil Conservation Division Attn: Jerry Sexton P. O. Box 1980 Hobbs, New Mexico 88240

> Re: Western State No. 4-H Maljamar Field Lea County, New Mexico

Gentlemen:

A January 24, 1986, pressure retest of the above captioned well indicated a casing leak that should be repaired without further delay.

Mr. Fritz Gesch, Pennzoil's Operations Superintendent, submitted by letter to you dated February 2, 1986, a procedure to isolate the casing leak. From February 21, 1986, to February 23, 1986, casing leaks were located in the following intervals: 3059'-3365' and 0'-337'. Additional leaks may be located 337'-3059'. Backflowing of this well through 2 3/8" tubing was initiated at this time.

By letter of March 24, 1986, Mr. Mark Shumway, Pennzoil's Area Engineer for the Maljamar Field, requested from you a 60-day grace period from abandoning the Western State No. 4-H, in order to evaluate a workover to be performed at the offsetting Western State No. 1-X. Those workover operations were concluded May 28, 1986. Continued injection at Western State No. 4-H is not justified based on the results of the workover at the Western State No. 1-X.

During backflowing operations recently, however, the Western State No. 4-H began to produce a small amount of oil. A 2 7/8" tubing workstring was run, and the well was swabbed from June 7, 1986, to June 9, 1986. Oil production is increasing, as seen by the recovery from swabbing June 9, 1986--14 BO, 278 BW, and a strong show of gas.

