

**ENERGY
EXPLORATION**

ClayDesta National Bank Bldg.
Suite 5250
6 Desta Drive
Midland, Texas 79705
915-682-9756

Leonard Kersh
District Production Manager
Luis Acevedo
District Petroleum Engineer
Sammy Reed
Production Superintendent
West Texas District
Production Division

November 13, 1987

State of New Mexico
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

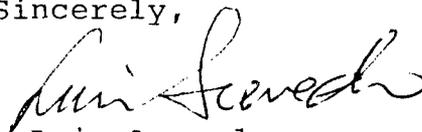
Attention: Mr. Jerry Sexton

Re: Reclassification
EP Operating Company
Lambirth No. 8 Well
South Peterson (Penn)
Associated Pool
Roosevelt County, New Mexico

Dear Mr. Sexton:

As was requested by your letter dated October 19, 1987, enclosed please find a copy of the application of EP Operating Company for a non-standard gas proration unit surrounding the subject well. EPOC has requested that 80 acres be assigned to the well since Section 30 is checkerboarded on 80 acre tracts between EPOC and Phillips. Note that our transporters will remain the same when the well is reclassified.

Sincerely,



Luis Acevedo
District Petroleum Engineer

TB/wb

Enclosure

Copy of our letter

**ENSERCH
EXPLORATION** INC

ClayDesta National Bank Bldg.
Suite 5250
6 Desta Drive
Midland, Texas 79705
915-682-9756



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District Production Manager
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West Texas District
Production Division

November 13, 1987

Division Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Non-Standard
Proration Unit (NSP)
EP Operating Company
Lambirth No. 8 Well
South Peterson (Penn)
Assoc. Pool
Roosevelt County, New Mexico

Gentlemen:

EP Operating Company respectfully requests administrative approval for a non-standard proration unit for the captioned well. EPOC is requesting that the N/2 of the SW/4 of Section 30, T-5-S, R-33-E (80 acres) be dedicated to this gas well, which on a standard basis would incorporate 320 acres.

This request is being made in order to comply with Field Rules for the South Peterson (Penn) Associated Pool. These rules state that any well with a Gas/Oil Ratio (GOR) equal to or in excess of 30,000/1 shall be classified as a gas well.

Division Director
Application for Non-Standard Proration Unit
November 13, 1987
Page 2

The Lambirth No. 8 was recently recompleted to the Penn Formation as an oil well on 40 acres, however, since re-completion the GOR has gradually increased to 50,000/1 based on latest well tests. Since Section 30, T-5-S, R-33-E is checkerboarded on 80 acre tracts between Phillips and Enserch, we can only assign 80 contiguous surface acres. Consequently, EP Operating Company hereby requests that this well be classified as a gas well and assigned 80 acres which consist of the N/2 of the SW/4 of Section 30, T-5-S, R-33-E.

In addition, a request for waiver of objection has been sent to Phillips Petroleum Company by certified mail.

Sincerely,



Luis Acevedo
District Petroleum Engineer

TB/wb

Enclosures

NEW MEXICO OIL CONSERVATION COMMISSION
 W LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-128
 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

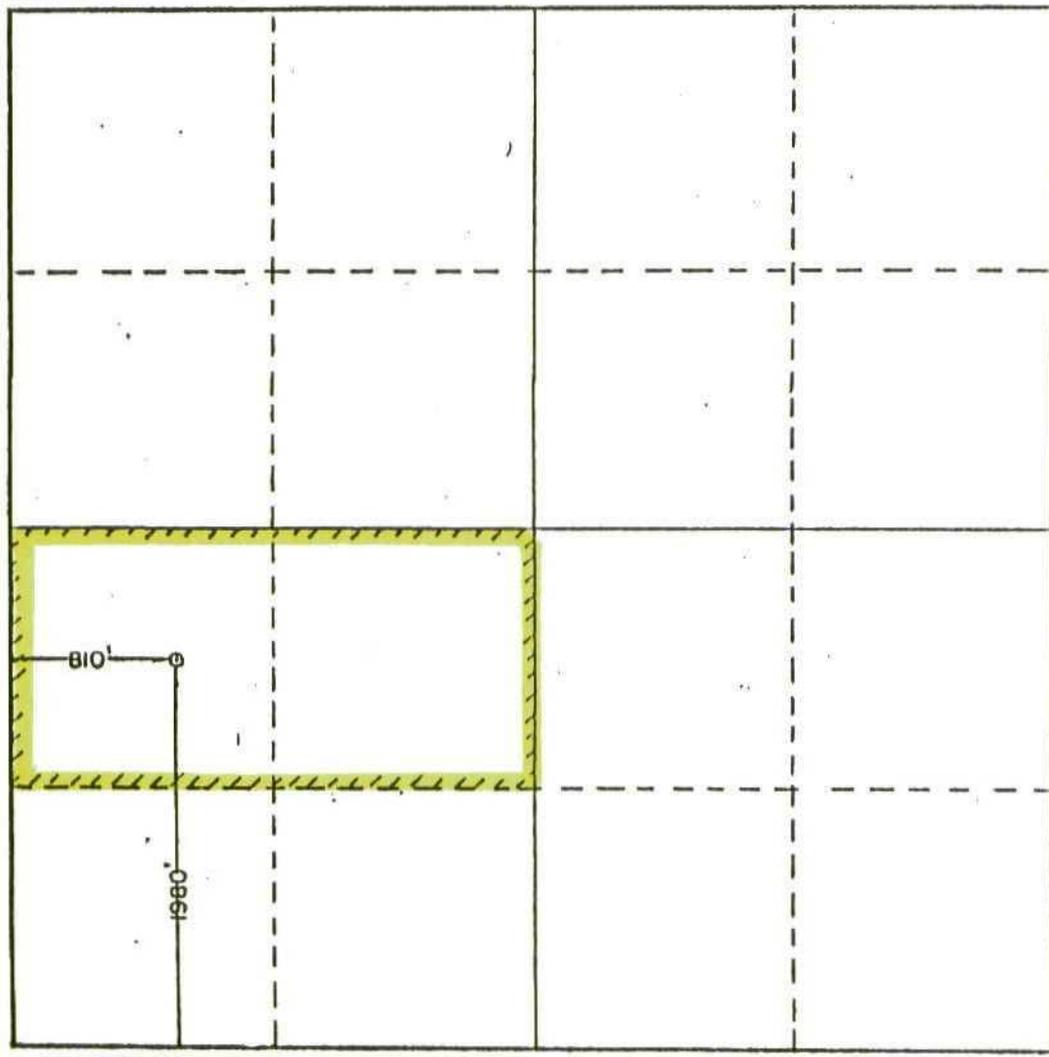
Operator EP Operating Company		Lease LAMBIRTH			Well No. 8
Unit Letter L	Section 30	Township 5 SOUTH	Range 33 EAST	County ROOSEVELT	
Actual Footage Location of Well: 1980 feet from the SOUTH line and 810 feet from the WEST line					
Ground Level Elev. 4381.5	Producing Formation Pennsylvanian		Pool South Peterson	Dedicated Acreage: 80 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name
Donny E. Hagins
 Position
 Sr. Drilling Supervisor
 Company EP Operating Company
 Enserch Exploration, Inc.
 Date Managing General Partner
 July 5, 1979

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
 JULY 2ND, 1979

Registered Professional Engineer
 and/or Land Surveyor

John W. West

Certificate No. John W. West 676
 Ronald J. Eldson 3239



PS Form 3811, Dec. 1980

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

Show to whom and date delivered —¢

Show to whom, date, and address of delivery.. —¢

2. **RESTRICTED DELIVERY** —¢

*(The restricted delivery fee is charged in addition to
the return receipt fee.)*

TOTAL \$ _____

3. **ARTICLE ADDRESSED TO:**

Phillips Pet. Co.
4001 Penbrook
Odessa, TX 79762

4. **TYPE OF SERVICE:**

REGISTERED INSURED

CERTIFIED COD

EXPRESS MAIL

ARTICLE NUMBER

P206 128648

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY**

POSTMARK

6. **ADDRESSEE'S ADDRESS** *(Only if requested)*

W. Rankin

7. **UNABLE TO DELIVER BECAUSE:**

7a. **EMPLOYEE'S
INITIALS**

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Rankin No. 8

**ENSERCH
EXPLORATION INC**

ClayDesta National Bank Bldg.
Suite 5250
6 Desta Drive
Midland, Texas 79705
915-682-9756

Leonard Kersh
District Production Manager
Luis Acevedo
District Petroleum Engineer
Sammy Reed
Production Superintendent
West Texas District
Production Division

November 9, 1987

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Re: EP Operating Company
Lambirth Well No. 8
Non-Standard Gas Unit
South Peterson (Penn) Assoc. Pool
Roosevelt County, New Mexico

Gentlemen:

EP Operating Company has requested administrative approval for a non-standard gas proration unit for the captioned well recently completed in the South Peterson (Penn) Associated Pool. This well is located 1980' FSL and 810' FWL of Section 30, T-5-S, R-33-E.

EPOC recompleted this well as an oil well on 40 acres, however, since recompletion the GOR has gradually increased to 50,000/1 based on latest well tests. Since the GOR is greater than 30,000/1, it is necessary to reclassify this well as a gas well for this pool.

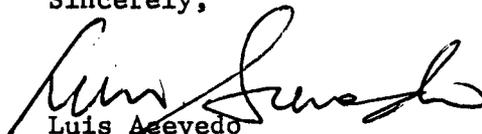
Because Section 30 is checkerboarded on 80 acre tracts between EPOC and Phillips the most we can assign to this well is 80 acres, whereas a standard gas proration unit requires 320 acres.

Phillips Petroleum Company
Lambirth Well No. 8
November 9, 1987
Page 2

If you offer no objection to this application, please execute the waiver in the space below and forward one copy to the New Mexico Oil Conservation Division in Santa Fe, return one to EPOC, and retain the other for your file.

A timely reply to this request will be appreciated.

Sincerely,



Luis Acevedo
District Petroleum Engineer

TB/wb

The undersigned offset operator has no objection to the application of EP Operating Company for a non-standard gas proration unit for the referenced well.

Company: _____

By: _____

Date: _____



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
 GOVERNOR

11-17-87

POST OFFICE BOX 1980
 HOBBS, NEW MEXICO 88241-1980
 (505) 393-6161

OIL CONSERVATION DIVISION
 P. O. BOX 2088
 SANTA FE, NEW MEXICO 87501

Status

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

El Oper. Co. Lambirth # 8-L 30-5-33
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK JS

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

/ed

80-acres

N/2 SW/4

South Peterson
Penn Associated

re claimant
from oil to gas