

State of New Mexico  
**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**  
Santa Fe, New Mexico 87505



July 6, 1995

Ensearch Exploration, Inc.  
6 Desta Drive, Suite 5250  
Midland, Texas 79705-5510

Attention: Mr. S. D. Reed


Re: Lambirth Well No. 3  
Unit G, Section 31, T-5S, R-33E,  
Lea County, New Mexico

Dear Mr. Reed:

I have received notice from our Hobbs OCD office that the Lambirth Well No. 3 is producing water in excess of what is allowed under Division Order No. DHC-755. This order authorized the downhole commingling of Pennsylvanian and Fusselman production subject to certain conditions, one of which was that water production was not to exceed 100 barrels per day. If the subject well is producing in excess of this amount, Division Order No. DHC-755 needs to be amended at an Examiner Hearing in Santa Fe.

Please advise me at your earliest convenience as to the status of current production from the subject well in order that we may discuss options to obtain approval for such production.

Sincerely,

  
David Catanach  
Engineer

xc: OCD-Hobbs-Nelda Morgan  
File-DHC-755

**VILLAGRA BUILDING - 408 Galisteo**

Forestry and Resources Conservation Division  
P.O. Box 1948 87504-1948  
827-5830

Park and Recreation Division  
P.O. Box 1147 87504-1147  
827-7465

**2040 South Pacheco**

Office of the Secretary  
827-5950

Administrative Services  
827-5925

Energy Conservation & Management  
827-5900

Mining and Minerals  
827-5970

Oil Conservation  
827-7131