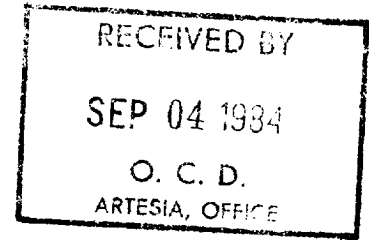


THE PETROLEUM CORPORATION
OF DELAWARE
3303 Lee Parkway
DALLAS, TEXAS 75219

August 29, 1984



Mr. Joe D. Ramey
State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Request for increase in GOR limit on the Superior
Federal No.4, Unit 1, Sec. 5, T-20-S, R-29-E, Eddy
Co. New Mexico.

Dear Mr. Ramey,

This well was completed as an oil well in the Strawn zone in April, 1980. It flowed approximately 165 bbls oil and 500 MCF per day during 1980. GOR was 3,000 to 1. Since that time, oil production has dropped to about 60 bbls per day while gas production has increased to 650 MCF per day. GOR is now 11,000 to 1. The well does not make any water at this time. It is classified as a Wildcat Strawn oil well and is in Group VII under Undesignated & Wildcat wells. The well has a GOR limit of 2,000 to 1 and is therefore over produced on gas. During the past 6 months, the over-production has reached 20,000 MCF. It would require closing the well in for over a month to balance this overage.

We have enjoyed extremely good producing characteristics in the past with the well producing at a steady uninterrupted flow rate. We are quite concerned that closing the well in for a month or even on alternated days might adversely affect the liquid recovery. In addition, this well is completed in an interval in the Strawn zone that is not present in any well in the area. It is a one well field, and its production will not effect any other well.

In a letter to Mr. Les Clements dated July 11, 1984 from Mr. Ralph Watkins, he stated that we would balance the overproduction by closing the well in three days each week for the next ninety days. After reconsidering this situation, we are concerned that this might damage the well.