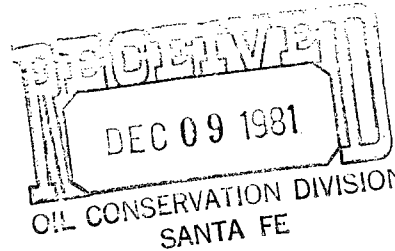


**ENSERCH
EXPLORATION INC.**

P. O. Box 4815
Midland, Texas 79704
915-682-9756



Leonard Kersh
District Production Manager
West Texas District
Production Division

December 3, 1981

New Mexico Department of
Energy & Minerals
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

Re: Application for Down-hole
Commingling of the Lagrone No. 1

Gentlemen:

Enserch Exploration, Inc. hereby requests authority for down-hole commingling of the Pennsylvanian and Mississippian formations in the Lagrone No. 1 well located in Roosevelt County, New Mexico.

The subject well was TD'd August 21, 1981, and completed through the Mississippian from 8010'-8058'. This interval potentialed for 30 BOPD; however, production declined to less than 10 bopd. After setting a retrievable bridge plug above the Mississippian, the zone was temporarily abandoned and the Penn formation was tested from 7973'-7976'. This zone was swabbed for eight hours, recovering 3 bbls of oil and is currently shut-in waiting on permit for down-hole commingling.

In accordance with Rule 303-C of the OCD Rules and Regulations, information requested upon application of a permit for down-hole commingling of two oil zones is attached.

Very truly yours,

Leonard Kersh
District Production Manager

LK/NAL/mh

Attachments

Operator - Enserch Exploration, Inc.
P.O. Box 4815
Midland, Texas 79704-4815

Lease - Lagrone

Well - No. 1

Location - Sec. 29, T4S, R33E
1980' FNL, 510' FEL
Roosevelt County, New Mexico

Pools to be Commingled - Peterson (Miss) Pool
Undesignated (Penn)

Attached is a copy of Form C-116 showing the amount of oil, water, and gas produced from the Mississippian formation during the Gas-Oil Ratio test.

After production from the Mississippian decline, the decision was made to test the Penn formation. The zone was perforated and swabbed for eight hours. During this time, 3 bbls of oil were recovered. This zone has not been potentialized.

Current Status - Shut-in waiting on permit for commingling

The subject well was perforated from 8010'-8058' (total shots=24) through the Mississippian, and treated with 7200 gallons of MOD-101 acid. A potential test was run on September 1, 1981, recovering 47 BOPD, 160 MCFPD, and 8 BWPD. Currently, the well is producing approximately 8 BOPD. The Penn was perforated from 7973'-7976' (total shots=4) and was acidized with 1500 gallons of 15% MCA.

A bottom hole pressure survey was not run on the subject well. However, pressure build-up tests were run on two offsetting wells, the Collier "A" No. 1 on the Mississippian, and the Taylor No. 1 testing the Penn formation. From these, estimated reservoir pressures are:

Mississippian - 2809 psi
Penn formation - 2783 psi

Fluid Description - Oil recovered (from Mississippian) during the potential test on the subject well indicated a gravity of 43.7° API. The gravity of the oil recovered during swabbing of the Penn formation was not determined. However, Penn formation oil produced in the offset Taylor No. 1 has a gravity of 43.7° API.

The subject well was completed in August 1981, therefore, oil production from both zones is considered newly discovered and will receive \$35.00/bbl.

The Lagrone No. 1 is currently producing approximately 8 BOPD from the Mississippian, therefore, production of over 8 BOPD will be allocated to the production from the Penn formation.

Enserch Exploration, Inc. is the operator of all offsetting production and has 100 percent Working Interest in the subject well.

The Mississippian and Pennsylvanian formations have a common royalty interest.

Calib
Reviewed 11-1-65

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail: original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 30J and appropriate pool rules.

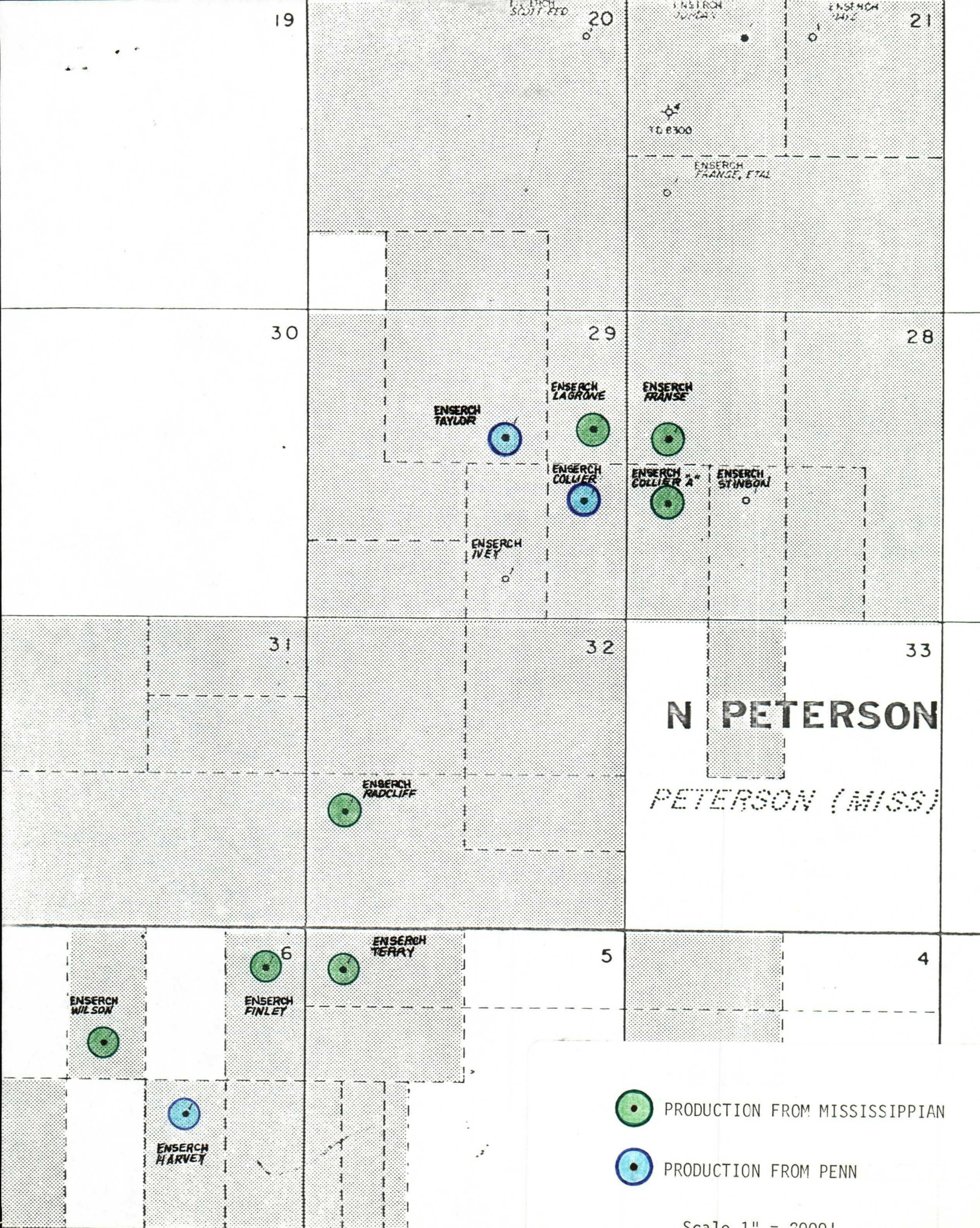
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail: original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 303 and appropriate pool rules.

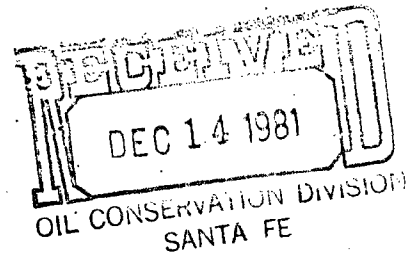
(Title)
November 17, 1981

(fair)



M. Ke

OIL CONSERVATION DIVISION
DISTRICT I



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

DATE 12/9/81

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed NSP _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application for the:

Enserch Exploration, Inc.	LaGrone	No. 1-H	29-4-33
Operator	Lease and Well No.	Unit, S - T - R	

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,

/mc