

**ENSERCH
EXPLORATION INC**

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

January 9, 1990

New Mexico Department of
Energy & Minerals
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

OIL CONSERVATION DIVISION
RECEIVED

'90 JAN 16 AM 10 35

Leonard Kersh
District Production Manager
Dane Hendley
District Petroleum Engineer
George Faigle
District Development Geologist
Sammy Reed
Production Superintendent
West Texas/Rocky Mountain District
Production Division

Re: Application for Downhole
Commingling
Enserch Exploration, Inc.
Lambirth No. 3
South Peterson Penn Field
South Peterson Fusselman Field
Roosevelt County, New Mexico

Gentlemen:

Enserch Exploration, Inc., managing general partner of EP Operating Co. requests authority for downhole commingling of production from the Peterson, South (Penn) Field and the Peterson, South (Fusselman) Field in the above referenced well located in Roosevelt County, New Mexico.

In accordance with Rule 303-A of the Oil Conservation Division Rules and Regulations, information necessary upon application of a permit for downhole commingling of two oil zones is hereby submitted.

Sincerely,


Wm. Dane Hendley

TRR:

Attachments

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

- a. Operator: EP Operating Company
ClayDesta National Bank Bldg.
Suite 5250
6 Desta Drive
Midland, Texas 79705
- b. Lease Name: Lambirth
Well Number: 3
Well Location: Unit Letter - G
Section 31, T-5-S, R-33-E
1980' FEL, 1980' FNL
Roosevelt County, New Mexico
- Pools to be Commingled: South Peterson Penn Field
South Peterson Fusselman Field
- c. Plat Attached as Exhibit No. 1.
- d. Form C-116 is attached for the South Peterson Penn Field Pool as Exhibit No. 2.

Prior to abandonment, the South Peterson Fusselman Field Pool completion was producing 19 STB of oil and 82 MCF of gas per day.

- e. A production decline curve including both zones is attached as Exhibit No. 3.

The Lambirth No. 3 was spudded on June 5, 1978, and was drilled to a total depth of 8030 feet. The well was perforated in the lower Fusselman from 7940 feet to 7944 feet. After acidizing, the interval tested wet and was squeezed. Next, the upper Fusselman was perforated from 7840 feet to 7849 feet and acidized. The well was completed as an oil well on July 26, 1978, from the Fusselman Formation. It was placed on pump and potentialied 25 BO, 12 BW and 64 MCFG on July 31, 1978. The well produced for two months for a total of 1,096 BO and 2,107 MCFG. Subsequently, a rework began on October 12, 1978, which plugged the well back at 7800 feet with a cast iron bridge plug and 10 feet of cement was placed on top. The lower Penn zone was perforated from 7702 feet to 7715 feet and treated with 2500 gallons of acid. The well was potentialied on August 20, 1979, for 643 MCFG, 11 BO and a trace of water on a 9/64" choke with 875 psi tubing pressure. The well produced 9,535 BO and 509,911 MCFG before being recompleted in 1986. The current completion in the Penn Formation was performed on February 28, 1986. A retrievable bridge plug was set at 7685 feet to isolate the previous completed interval. The formation was perforated from 7653 feet to 7660 feet and acidized. The well potentialied 606 MCFG, 135 BO and 0 BW on March 5, 1986. In June of 1986, the retrievable bridge plug set between the two intervals was removed. Since June, 1986, the well has accounted for a cumulative production of 6,473 BO and 51,730

MCFG as of July, 1989, from these two zones representing a total accumulation of 16,008 BO and 561,641 MCFG since August, 1979. The well is currently producing 1 BOPD, 18 MCFGPD and 0 BWPD.

- f. Both zones require artificial lift. No recent bottom hole pressure surveys have been performed. However, in June of 1986, the pressure of the South Peterson Penn Pool is estimated to have been 4,050 psi calculated from a 14 hour shut in tubing pressure. The reservoir pressure of the South Peterson Fusselman Pool was 3,600 psi as of July of 1978, estimated from a shut in tubing pressure.
- g. South Peterson Penn Pool - 49.5 API
South Peterson Fusselman Pool - 50.4 API
- h. Estimated production from the Penn zone: 1 BOPD
Estimated production from the Fusselman zone: 19 BOPD
Sum of Individual Streams: 20 BOPD

According to Order No. R-6882 dated February 1, 1982, commingled production from zones with the lowermost pool existing between 7000 feet and 7999 feet may not exceed 50 BOPD.

- i. The Lambirth No. 3 is currently producing at 1 BOPD, 0 BWPD, and 18 MCFGPD from the Penn Formation. Any production over the current production will be allocated to the production from the Fusselman Formation.
- j. The offset operator has been notified and the waiver letter is attached as Exhibit No. 4. The offset mineral owners were also notified. Of the three offset mineral owners, two returned signed waiver letters which have also been included in the attached exhibit.

(Amoco)
(Peterson)

T TD195

TD7920

TD8098

TD 7959

25

PHILLIPS

30

29

T/A 7852

ENERGY RES

AMOCO

1-B Peterson
TD 7877

E.P. OPER.
8

PHILLIPS
6-A

E.P. OPER.
9

PHILLIPS
5-A

E.P. OPER.
7

PHILLIPS

1-H Peterson
TD8000

36

E.P. OPER.

PHILLIPS
4-A

32

10

E.P. OPER.
2-Rader
TD8000

PHILLIPS
1 Lambirth

PHILLIPS
2-A

E.P. OPER.
3

PETERSON

Phillips
Goldston

12

PHILLIPS
1-A

E.P. OPER.
1-Rader
TD7910

Goldston
Lambirth-St.
TD8927

3-A

Enserch
Lambirth

4 Lambirth

TD4020

TD7950

TD7948

TD8000

Ener Res. Grp.
Bledsoe
Ener. Res. Grp.
Bledsoe
TD7824

EXHIBIT NO. 1

**ENSERCH
EXPLORATION INC.**
WEST TEXAS AREA

SOUTH PETERSON FIELD
Roosevelt County, New Mexico
BASE MAP

SCALE: 1"=2000'
CONTOUR INTERVAL:

DATE: 1/80
GEOLOGY:

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County											
EP Operating Company		Peterson Penn, South		Roosevelt											
Address		TYPE OF TEST - (X)		Completion		Special									
6 Desta Drive, Suite 5250, Midland, TX 79705-5510		Scheduled <input checked="" type="checkbox"/>		Special <input type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL		
		U	S	T						R	WATER BBLs.	GRAV. OIL		OIL BBLs.	GAS M.C.F.
Lambirth	3	G	31	5S	33E	8/19/89	F 16/64	50	2	24	0	49.5	1	19	19000/1
Lambirth	4	O	31	5S	33E	8/29/89	P --	19	6	24	12	49.5	6	153	25500/1
Lambirth	7	P	30	5S	33E	8/27/89	P --	28	3	24	0	49.5	2	16	8000/1
Lambirth	8	L	30	5S	33E	8/29/89	P --	22	1	24	4	49.0	1	16	16000/1
Lambirth	12	K	31	5S	33E	Well shut-in.									

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 301, and appropriate pool rules.

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


 (Signature) S. D. Reed
 Production Superintendent
 (Title)
 September 5, 1989

EXHIBIT NO. 3

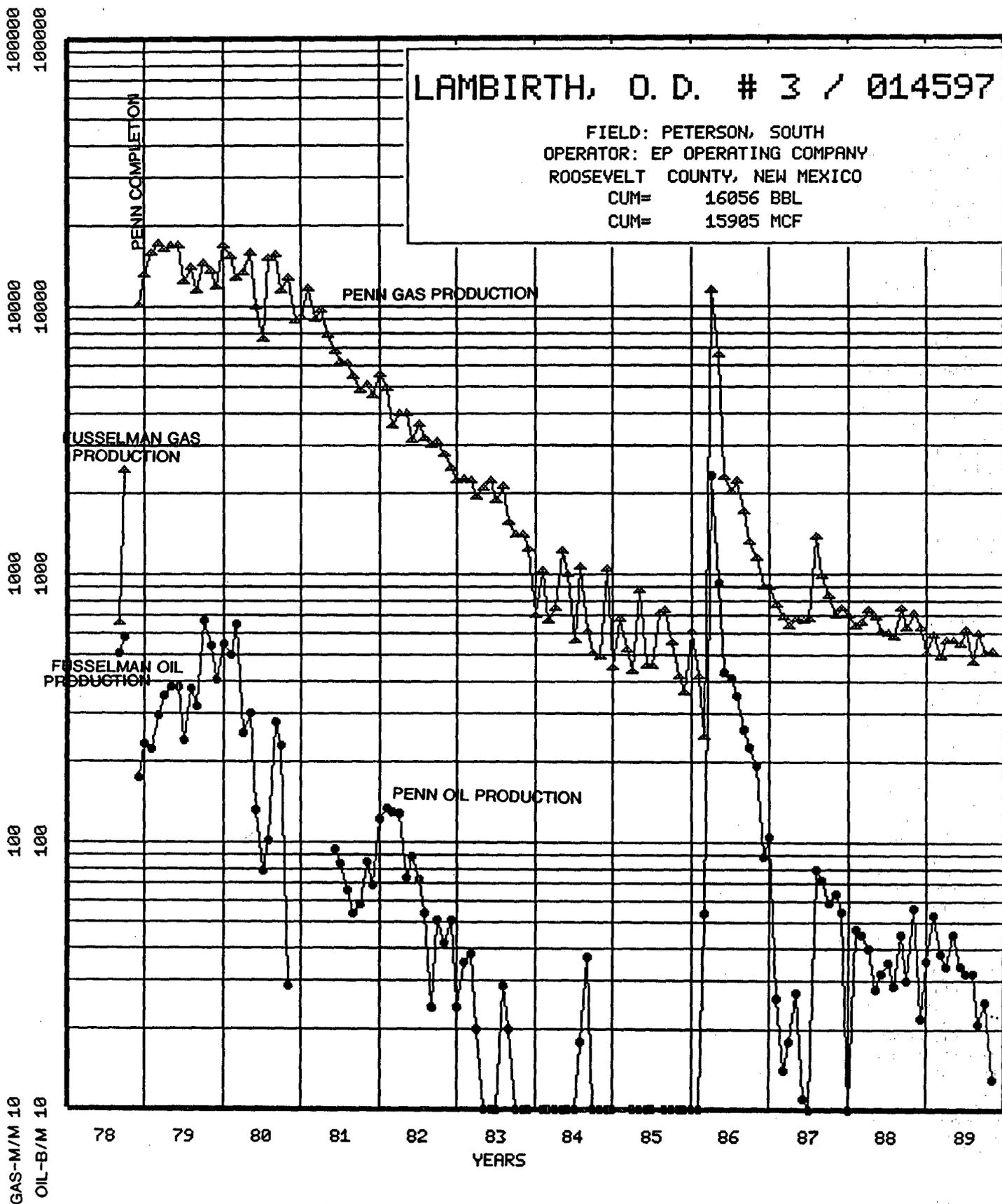


EXHIBIT NO. 4

**ENSERCH
EXPLORATION INC**

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

OCT 30 1989

P.B.M. Regulatory Section

Leonard Kersh
District Production Manager
Dane Hendley
District Petroleum Engineer
George Faigle
District Development Geologist
Sammy Reed
Production Superintendent
West Texas/Rocky Mountain District
Production Division

October 27, 1989

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

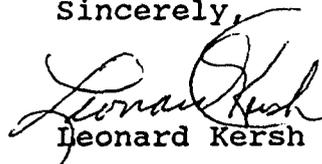
Re: Exception to New Mexico Rule
303-A (Downhole Commingling)
EP Operating Company
Lambirth No. 3
Peterson, South Field
Roosevelt County, New Mexico

Gentlemen:

EP Operating Company proposes to commingle downhole within the wellbore of the Lambirth No. 3 Well production from the South Peterson (Pennsylvanian) Field and the South Peterson (Fusselman) Field. If, as an offset operator, you have no objection to the granting of this exception provided for under the provisions of New Mexico Rule 303-C and hereby waive objection and notice of hearing on this application, please execute two (2) copies of this waiver and return them to the above address.

Please advise if there are questions or additional information is required for this purpose.

Sincerely,


Leonard Kersh

TRR:
Attachment

Name: _____ David A. Brown

Title: Director, Reservoir Engineering

Date: November 7, 1989

**ENSERCH
EXPLORATION** INC

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

Leonard Kersh
District Production Manager
Dane Hendley
District Petroleum Engineer
George Faigle
District Development Geologist
Sammy Reed
Production Superintendent
West Texas/Rocky Mountain District
Production Division

October 27, 1989

Gladys Rader
c/o Charter Bank
P. O. Box 361
Lebanon, Missouri 65536

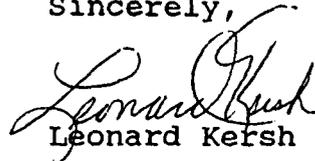
Re: Exception to New Mexico Rule
303-A (Downhole Commingling)
EP Operating Company
Lambirth No. 3
Peterson, South Field
Roosevelt County, New Mexico

Gentlemen:

EP Operating Company proposes to commingle downhole within the wellbore of the Lambirth No. 3 Well production from the South Peterson (Pennsylvanian) Field and the South Peterson (Fusselman) Field. If, as a mineral owner, you have no objection to the granting of this exception provided for under the provisions of New Mexico Rule 303-C and hereby waive objection and notice of hearing on this application, please execute two (2) copies of this waiver and return them to the above address.

Please advise if there are questions or additional information is required for this purpose.

Sincerely,


Leonard Kersh

TRR:

Attachment

Name: Gladys Rader

Title: _____

Date: _____

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West Texas/Rocky Mountain District
Production Division

October 27, 1989

Sue Richards
4405 Odessa Avenue
Ft. Worth, Texas 76137

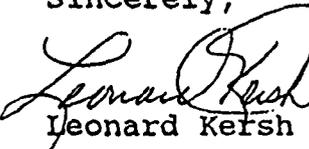
Re: Exception to New Mexico Rule
303-A (Downhole Commingling
EP Operating Company
Lambirth No. 3
Peterson, South Field
Roosevelt County, New Mexico

Dear Mrs. Richards:

EP Operating Company proposes to commingle downhole within the wellbore of the Lambirth No. 3 Well production from the South Peterson (Pennsylvanian) Field and the South Peterson (Fusselman) Field. If, as a mineral owner, you have no objection to the granting of this exception provided for under the provisions of New Mexico Rule 303-C and hereby waive objection and notice of hearing on this application, please execute two (2) copies of the waiver and return them to the above address.

Please advise if there are questions or additional information is required for this purpose.

Sincerely,


Leonard Kersh

TRR:
Attachment

Name: Sue E. Richards

Title: Mineral Owner

Date: 11/6/89



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

HOBBS DISTRICT OFFICE

1-12-90

90 JAN 16 AM 10 37

GARREY CARRUTHERS
 GOVERNOR

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

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

RE: Proposed:

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

Gentlemen:

I have examined the application for the:

EP Operating Co. Lambirth #3-G 31-5-33
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Yours very truly,

Jerry Sexton
 Supervisor, District 1

/ed