

**ENSERCH  
EXPLORATION<sub>INC</sub>**

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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.