STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

1-16-90

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 X
NSL
NSP
SWD
WFX
PMX

Gentlemen:

I have examined the application for the:

EP Operating Co. Lambirth #8-L 30-5-33
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed

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

January 9, 1990

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

Re: Application for Downhole
Commingling
Enserch Exploration, Inc.
Lambirth No. 8
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

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: 8
Well Location: Unit Letter - L
Section 30, T-5-S, R-33-E
1980' FSL, 810' FWL
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 9 STB of oil, 15 MCF of gas, and 200 STB of water per day.

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

The Lambirth No. 8 well was spudded on September 13, 1979, as a development well in the South Peterson Field. While drilling, drill-stem tests were performed across two intervals, one across the Penn Formation from 7661 to 7711 feet and the other over the Fusselman from 7794 to 7836 feet. Both tests recovered only oil, gas, and mud with no indication of water production. The Fusselman zone was perforated from 7816 to 7828 feet with one shot per foot and acidized. The zone potentialed 358 BO, 0 BW, and 190 MCFG. The Fusselman was temporarily abandoned in this well in 1985 due to a high water cut and excessive water hauling costs. Prior to abandonment in 1986, it was produced over a three month period. Only one of the three months was a full month with production of 289 BO. The Lambirth No. 8 well was recompleted to the Penn Formation from 7606 to 7737 feet in 1987. The well continues to produce from the Penn at a marginal rate of 0.3 BOPD, 4 BWPD, and 4 MCFGPD as of November of 1989.

f. Both zones require artificial lift. The most recent bottom hole pressure survey that has been performed on this well was in May of 1987. It indicated that the pressure of the South Peterson Penn Pool was 1,750 psig. The original reservoir pressure of the South Peterson Fusselman Pool was 3,623 psi as of October of 1979, estimated from a shut in tubing pressure.

g. South Peterson Penn Pool - 49.0 API
South Peterson Fusselman Pool - 50.1 API

h. Estimated production from the Penn zone: 1 BOPD
Estimated production from the Fusselman zone: 9 BOPD
Sum of Individual Streams: 10 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. 8 is currently producing at 0.3 BOPD, 4 BWPD, and 4 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 four offset mineral owners, none have returned signed waiver letters.

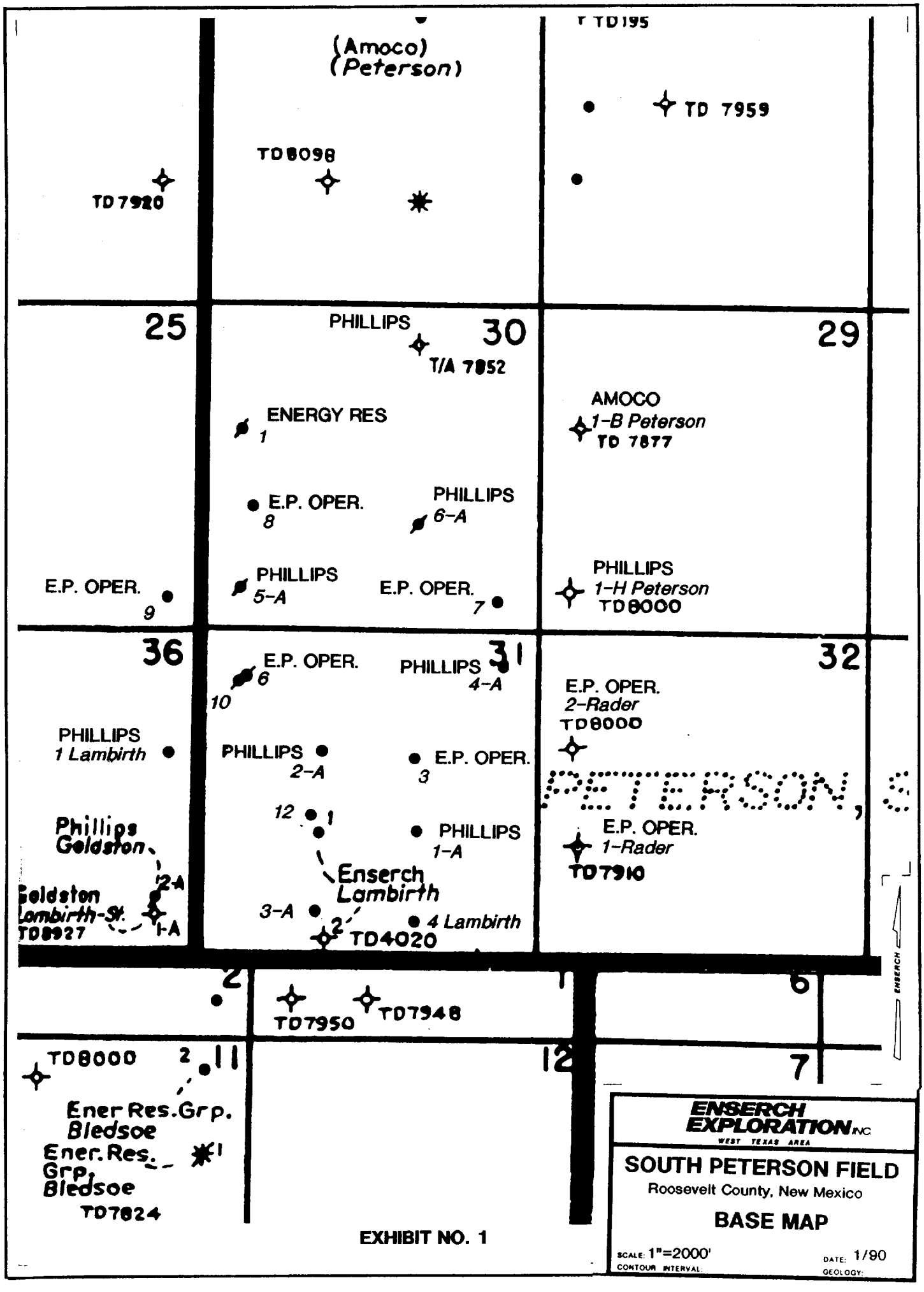

EXHIBIT NO. 1

ENSERCH EXPLORATION INC
WEST TEXAS AREA

SOUTH PETERSON FIELD
Roosevelt County, New Mexico

BASE MAP

SCALE: 1"=2000'
CONTOUR INTERVAL:
DATE: 1/90
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)	
6 Desta Drive, Suite 5250, Midland, TX 79705-5510	Scheduled [X]	Completion [ ] Special [ ]

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	GAS - OIL RATIO CU.FT./BBL.
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
mbirth	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.

S. D. Reed
(Signature)

Production Superintendent
(Title)

September 5, 1989
(Date)

EXHIBIT NO. 2

EXHIBIT NO. 3

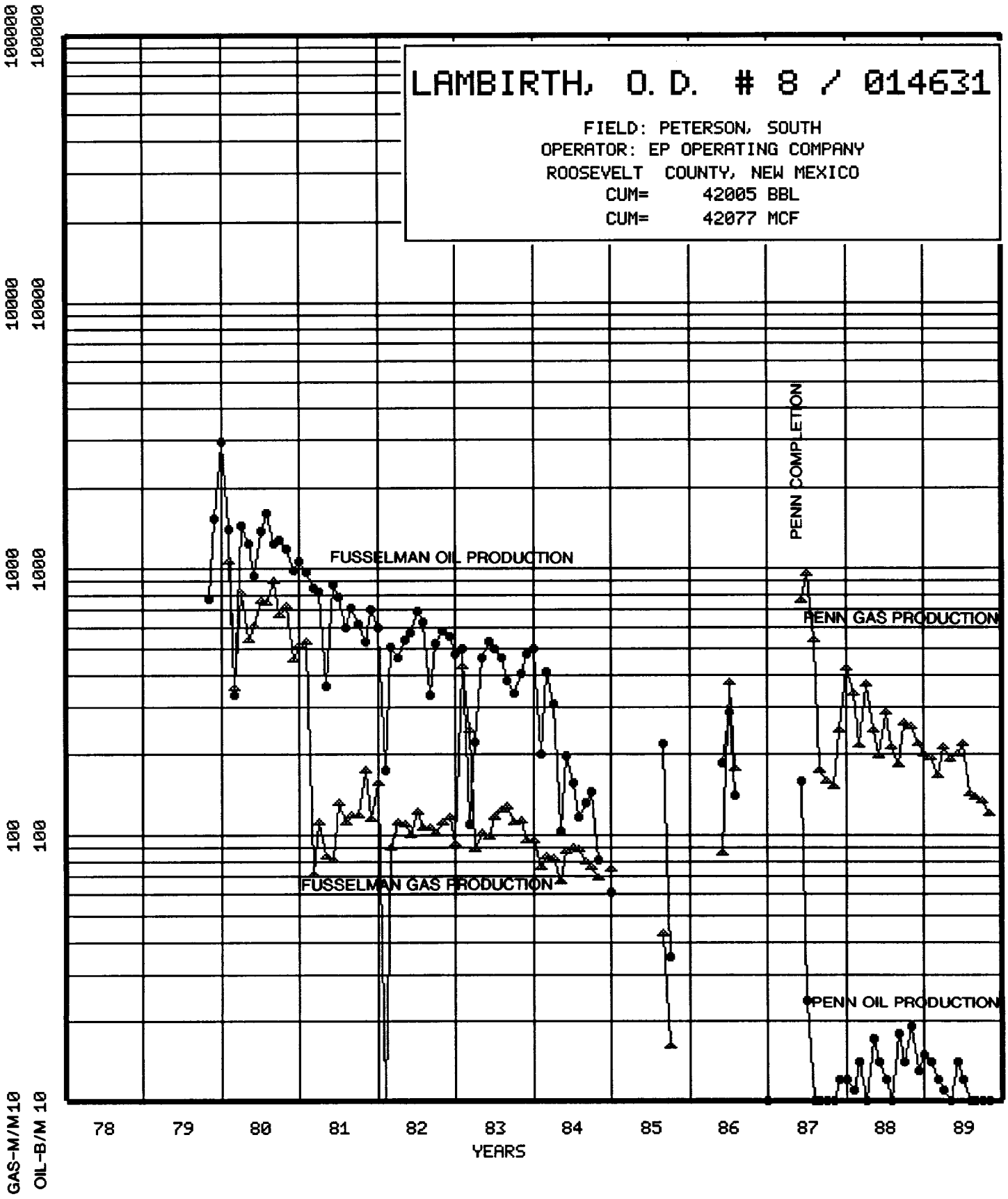
LAMBIRTH, O. D. # 8 / 014631
FIELD: PETERSON, SOUTH
OPERATOR: EP OPERATING COMPANY
ROOSEVELT COUNTY, NEW MEXICO
CUM= 42005 BBL
CUM= 42077 MCF
FUSSELMAN OIL PRODUCTION
FUSSELMAN GAS PRODUCTION
PENN COMPLETION
PENN GAS PRODUCTION
PENN OIL PRODUCTION
100000
10000
1000
100
10
78
79
80
81
82
83
84
85
86
87
88
89
YEARS
GAS-M/M10
OIL-B/M 10

EXHIBIT NO. 4 Received

ENSERCH EXPLORATION INC

OCT 2 4 1989

P.B.R. Legal Section

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 20, 1989

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Re: Exception to New Mexico Rule 303-A (Downhole Commingling)
EP Operating Company
Lambirth No. 8
Peterson, South Field
Roosevelt County, New Mexico

Gentlemen:

EP Operating Company proposes to commingle downhole within the wellbore of the Lambirth No. 8 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