

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

May 10, 1985

Leonard Kersh **District Production Manager** West Texas District **Production Division**

Division Director Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Application for Non-Standard Proration Unit Enserch Exploration, Inc. Lambirth No. 12 Well Peterson Penn Associated, South Roosevelt County, New Mexico

NSP 1457 81 ac-N/2 Su/4

Gentlemen:

Enserch Exploration, Inc. respectfully requests administrative approval for a non-standard proration unit for the captioned well. Enserch is requesting that the N/2 of the SW/4 of Section 31, T-5-S, R-33-E (80 acres) be dedicated to this gas well, which on a standard basis would incorporate 320 acres.

This request is being made in order to comply with the Field Rules for the Peterson Penn Associated, South Pool. These rules state that any well completed with an initial Gas-Oil Ratio (GOR) greater than or equal to 30,000/1 shall be classified as a gas well. The Lambirth No. 12 potentialed for 3 BO + 170 MCF + 58 BW, with a GOR of 56,667/1. Thus Enserch hereby requests that this well be classified as a gas well and assigned 80 acres which consist of the N/2 of the SW/4 of Section 31, T-5-S, R-33-E.

The Lambirth No. 12 well was drilled as a Peterson Penn Associated, South oil development well, which required 40 acre spacing. However, upon completion this well was potentialed with a GOR of 56,667/1. According to field rules this well has to be re-classified as a gas well since the GOR is greater than 30,000/1. However, since Section 31, T-5-S, R-33-E is checkerboarded on 80 acre tracts between Phillips and Enserch, we can only assign 80 surface contiguous acres.

In addition, a request for waiver of objection to this application has been forwarded to Phillips and Yates Petroleum Corporation, by certified mail.

Yours truly,

LK:vjd

Enclosures