



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OFFICE OF THE SECRETAR
2040 South Paseo Street
Santa Fe, New Mexico 8750
(505) 827-5980

Jennifer A. Salisbury
CABINET SECRETARY

September 24, 1998

Chevron USA Inc.
ATT: Felix Trevino
P. O. Box 1949
Eunice, NM 88231

RE: Reclassification of Well
H. Leonard NCT-D, #3-K
Sec. 3-T22S-R36E
Jalmat Tansill Yates SR Pool

Gentlemen:

According to the recently submitted Gas-Oil-Ratio Test dated 4-6-98, the above-referenced well will be reclassified from a prorated gas well to an oil well in the Jalmat Tansill Yates Seven Rivers Pool effective January 1, 1999, and the gas allowable cancelled effective that date.

If for some reason you feel this test does not reflect the proper classification of this well, please submit another test for our consideration by October 20, 1998.

If the well is to be reclassified to an oil well in the Jalmat Tansill Yates Seven Rivers Pool, please submit the following:

- 1.) Revised Form C-102, acreage dedication plat, outlining 40 acres for this oil well completion.
- 2.) Form C-104 showing reclassification from gas to oil effective January 1, 1999, and designating change of transporters to oil and casinghead gas.

If you have questions, concerning the above, please contact Nelda Morgan at (505) 393-616 Ext. 101.

Very truly yours,

OIL CONSERVATION DIVISION

Chris Williams
Chris Williams
Supervisor, District I

CW:nm

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

SUBMIT 2 COPIES TO
APPROPRIATE DISTRICT OFFICE

DISTRICT I -
P.O. BOX 1980, HOBBS, NM 88240
DISTRICT II -
P.O. DRAWER DD, ARTESIA, NM 99210
DISTRICT III -
2000 RIO BRAZOS RD., AZTEC, NM 87410

OPERATOR: CHEVRON U.S.A. INC.
ADDRESS: P.O. BOX 1949 EUNICE, NEW MEXICO 88231

OIL CONSERVATION DIVISION
P.O. BOX 2088
SANTA FE, NEW MEXICO 87504-2088

GAS-OIL RATIO TEST
POOL: JALMAT-TANSILL V-7 RVRS
COUNTY: LEA
SCHEDULE XX

COMPLETION SPECIAL

LEASE NAME: JANDA J F NCT-F
WELL NO: 13
DATE OF TEST: 09/15/98
DATE OF TEST: 09/15/98
PRESS: 40
W.O.: 20
F: 39.0
0

Remains Gas

LEONARD H NCT-D

Remains Gas

RESUBMITTED TEST AS PER YOUR LETTER DATED 9/24/98 TO KEEP FORM BEING RECLASSIFIED FROM PRORATED GAS WELL.

INSTRUCTIONS:

DURING GAS-OIL RATIO TEST, EACH WELL SHALL BE PRODUCED AT A RATE NOT EXCEEDING THE TOP UNIT ALLOWABLE FOR THE POOL IN WHICH THE WELL IS LOCATED BY MORE THAN 25 PERCENT. OPERATOR IS ENCOURAGED TO TAKE ADVANTAGE OF THIS 25 PERCENT TOLERANCE IN ORDER THAT THE WELL CAN BE ASSIGNED INCREASED ALLOWABLES WHEN AUTHORIZED BY THE DIVISION. GAS VOLUMES MUST BE REPORTED IN MCF AT 15.025 PSIA AND A TEMPERATURE OF 60 DEGREES F. SPECIFIC GRAVITY BASE WILL BE 0.60. REPORT CASING PRESSURE IN LIEU OF TUBING PRESSURE FOR ANY WELL PRODUCING THROUGH CASING. (SEE RULE 301, RULE 1116, AND APPROPRIATE POOL RULES.)

I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Felix Trevino
SIGNATURE

FELIX TREVINO
PRINTED NAME AND TITLE
OCTOBER 16, 1998
DATE
PRODUCTION SPECIALIST
505-392-6747
TELEPHONE NUMBER