



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

Hobbs - District I
1625 North French Drive
Hobbs, NM 88240
OFF: (505) 393-6161
FAX: (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

August 27, 1999

Raptor Resources, Inc.
ATT: Kathy Smith
P. O. Box 160430
Austin, TX 78716-0430

RE: Reclassification of Well
State A A/C-1, #48-N
Sec. 3-T23S-R36E
Jalmat Tansill Yates SR Pool

Gentlemen:

According to the most recently submitted Gas-Oil-Ratio Test dated 2-21-99, 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, 2000, 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 September 10, 1999.

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, 2000, and designating change of transporter to oil
And casinghead gas.

If you have questions, concerning the above, please contact Nelda Morgan at
(505) 393-6161 Ext. 101.

Very truly yours,
OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Chris Williams".

Chris Williams
Supervisor, District I
CW:nm