



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

June 15, 1995

Marathon Oil Company
ATT: Thomas Price
P O Box 552
Midland, TX 79702-0552

RE: Reclassification of Well
McGrail State, #1-N
Sec. 26-T19S-R36E
Eumont Yates SR-QN Pool

Gentlemen:

Due to the recently submitted scheduled Gas-Oil Ratio Test the above-referenced well will be reclassified from gas to oil effective July 1, 1995, and the gas allowable cancelled on 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 June 29, 1995.

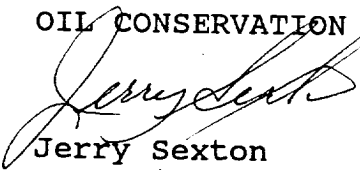
If the well is to be reclassified from gas to oil you will need to file the following:

- 1.) Revised Form C-102, acreage dedication plat, outlining 40 acres for this oil well completion.
- 2.) C-104 showing reclassification from gas to oil effective July 1, 1995 and changing the transporter to oil & casinghead gas.

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

Very truly yours,

OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District I

JS:nm

*Reclass from
gas to oil
eff 7/1/95*

Submit 2 copies to Appropriate District Office.

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

OIL CONSERVATION DIVISION

GAS - OIL RATIO TEST

Operator Marathon Oil Company		Pool Eumont Yates SRQ		County Lee											
Address P.O. Box 552, Midland, TX 79702		TYPE OF TEST - (X)		Completion <input checked="" type="checkbox"/> Special <input type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	TYPE OF TEST - (X)	CHOKE SIZE	TBQ. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	Completion <input checked="" type="checkbox"/> Special <input type="checkbox"/>				
		U	S	T							R	WATER BBL.	PROD. DURING TEST OIL BBL.	GAS M.C.F. CU/FT/BBL	
Elliott State	4	P	30	19	37	F	OPEN	40	M	24	1	0	0	308	-
Elliott State	6	L	30	19	37	F	OPEN	48	M	24	0	0	0	346	-
McGill State	1	N	28	19	36	P	-	-	M	24	0	0	2	17	8500
McGill State	3	K	26	19	36	F	-	-	M	24	0	0	0	164	-
W. H. Laughlin	3	G	9	20	37	F	OPEN	36	M	24	0	0	0	414	-
W. H. Laughlin	5	H	9	20	37	F	OPEN	38	M	24	0	0	0	64	-
W. H. Laughlin	6	F	9	20	37	F	OPEN	66	M	24	0	0	0	531	-
McDonald State A/C #2	11	A	13	22	36	P	-	-	M	24	0	0	2	236	118,000
McDonald State A/C #2	26	J	13	22	36	P	-	-	M	24	4	0	1	92	92,000
McDonald State A/C #2	33	I	13	22	36	P	-	-	M	24	38	0	2	36	18,000
Bertha Barber	4	K	5	20	37	P	-	24	M	-	70	0	0	100	-
Bertha Barber	11	D	5	20	37	P	-	-	M	24	70	0	0	422	-
Bertha Barber	15	C	5	20	37	F	-	-	M	24	0	0	0	642	-

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 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 Division.

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.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Signature

Thomas M. Price AET

Printed name and title

4-7-95

Date

915-687-8324

Telephone No.