

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

July 21, 1987

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

Apollo Energy Inc. Box 5970 Hobbs, NM 88240

Attn: Mohammed Merchant

Re:

Reclassification of well Sinclair State #2-H

Section 32, T20S, R36E

Eumont Pool

Gentlemen:

Due to the recently submitted gas/oil ratio test for the abovereferenced well, it will be reclassified to an oil well in the Eumont Pool effective September 1, 1987, and the gas allowable cancelled that date.

If for some reason you feel this test does not reflect the proper classification of the well, please submit another test for our consideration by July 28, 1987.

If the well is to be reclassified to oil it will be necessary for you to submit a revised Form C-102 dedicating 40 acres to this oil well classification. If there is to be a transporter change due to reclassification, please submit Form C-104 so indicating.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton

Supervisor, District I

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cc: Phillips 66 Natural Gas

4001 Penbrook Odessa, TX 79762