THE STATE OF

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR

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

April 30, 1993

Chevron USA Inc. ATT: Al Bohling P O Box 1150 Midland, TX 79702

RE: Reclassification of Well J.W. Smith #7 Unit H. Sec. 34, T19, R36 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, 1993, 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 May 10, 1993.

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, 1993 and changing the transporter to oil & casinghead gas.

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

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

JS:dp cc:Janice Ripley

Keclassify to ail eff. 7-1-93 Supp # 6598

DRUG F