FAX NO. 15053930720



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OFFICE OF THE SECRETARY 2040 South Pacheco Stract Santa Fe, New Mexico 27505 (565) 827-8550

Jennifer A. Salisbury CABINET SECRETARY

March 22, 1999

Titan Resources I, Inc. ATT: Shirley Melton 500 West Texas - Suite 500 Midland, TX 79701

Call 29 4-16-99

RE: Reclassification of Wells E. O. Carson, #9-E &16-D Sec. 33-T21S-R37E Blinebry Oil & Gas Pool

Gentlemen:

The annual Gas-Oil-Ratio Tests for the above-referenced wells indicated these wells should be reclassified from an oil well to a gas well in the Blinebry Oil & Gas Pool, with the oil allowable being cancelled effective May 1, 1999.

If for some reason you feel these tests do not reflect the proper classification of these wells, please submit another test for our conisderation by April 5, 1999.

If these wells are to be reclassified from oil to gas you will need to submit the following:

1.) Form C-102 acreage dedication plat for these wells, outlining a standard acres proration unit or application for a NSP.

- 2.) Form C-104 showing reclassification from oil to gas effective May 1, 1999, indicating transporters of condensate and dry gas for these wells.
- 3.) Indicate if gas well gas is separately metered.

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

Very truly yours, OIL CONSERVATION DIVISION

Chris alicen Chris Williams

Supervisor, District I CW:nm