



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

May 20, 1993

Zia Energy Inc.
ATT: Farris Nelson
P O Box 2219
Hobbs, NM 88241

RE: Reclassification of Well
JALMAT TANSILL YATES SR
Cities Federal, #3-C, Sec. 20-T22S-R36E
Cities Federal, #4-F, Sec. 20-T22S-R36E

Gentlemen:

Due to the recently submitted scheduled gas/oil ratio test the above-referenced wells will be reclassified from gas wells to oil wells in the Jalmat Pool effective July 1, 1993, and the gas allowable cancelled effective that date.

If for some reason you feel this test does not reflect the proper classification of these wells, please submit another test for our consideration by May 28, 1993.

If the wells are to be reclassified to oil, please furnish this office with the following for each well:

- 1.) C-102 acreage dedication plat outlining 40 ac. for oil well completions.
- 2.) C-104 showing reclass from gas to oil and designating oil & casinghead gas transporters.

If you have further questions, please feel free to talk to Evelyn or Donna at District I office, Hobbs NM (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
District I, Supervisor

Reclassifying to oil eff. 7-1-93
Supp # 6603

JS:dp

