



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 27, 1994

Southland Royalty Co.  
ATT: Richard Atchley  
P O Box 51810  
Midland, TX 79710

RE: Reclassification of Well  
State E #2  
Unit O, Sec. 35. T20, R37  
Eumont Yates SR-QN Pool

Gentlemen:

The annual Gas-Oil Ratio Test for the above- referenced well indicated the well should be reclassified from an oil well to a gas well in the Eumont Pool, with the oil allowable being cancelled effective July 1, 1994.

If this test does not reflect the proper classification of this well, please submit a re-test by May 11, 1994.

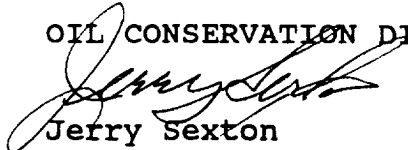
If the well is to be reclassified from oil to gas you will need to submit the following:

- 1.) C-102 acreage dedication plat, outlining a standard 640 acres proration unit or application for a NSP.
- 2.) C-104 showing reclassification from oil to gas effective July 1, 1994 and indicating transporters of condensate & dry gas.
- 3.) Indicate if gas well gas is separately metered.

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

Very truly yours,

OIL CONSERVATION DIVISION

  
Jerry Sexton  
Supervisor, District I

JS:dp.



6-9-94  
remains  
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