STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR

May 6, 1992

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

Southland Royalty Company P.O. Box 51810 Midland, TX 79710

Attn: Richard Atchley

RE: State "E" #1, Unit 0, Sec. 35, T20S, R37E Eumont Y-SR-Qn Pool Reclassification of Well

Gentlemen:

According to the recently submitted scheduled gas/oil ratio test the abovereferenced well will be reclassified from an oil well to a gas well effective July 1, 1992.

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 18, 1992.

If the well is to be reclassified to a gas well in the Eumont Pool you will need to file a revised acreage dedication plat, Form C-102, outlining the acreage to be dedicated to this gas well completion and furnish non-standard proration unit approval number if less than 640 acres is to be dedicated. Also, if the gas transporter changes due to reclassification, please file C-104 so indicating. Gas well gas must be separately metered.

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

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

ed

submitted new test



cc: Connie Malik