STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **OIL CONSERVATION DIVISION** HOBBS DISTRICT OFFICE

GARREY CARRUTHERS GOVERNOR

October 25, 1988

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

Shell Western E&P Inc. P.O. Box 4655 Houston, TX 77210-4655

Attn: Alvie Fore

Re: Reclassification of Well J. R. Smith #2-G Section 14, T21S, R37E Blinebry Oil and Gas Pool

Gentlemen:

Due to the recently submitted "scheduled" gas/oil ratio test for the above-referenced well, the well will be reclassified as a gas well in the Blinebry Oil and Gas Pool effective January 1, 1989, and the oil allowable cancelled that date.

If for some reason you feel this test does not reflect the proper classification of the well, please submit another test for our consideration by November 10, 1988.

If the well is to be reclassified from oil to gas, please submit the follwoing by November 10, 1988.

- 1) C-102, acreage dedication plat for the gas well proration unit
- 2) C-104 if gas transporter changes due to reclassification
- 3) Verify that gas well gas is separately metered.

Very truly yours,

OLL CONSERVATION DEFISION 105 oper

Jerry Sexton Supervisor, District I

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cc: File