

**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT****OFFICE OF THE SECRETARY**
2049 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-8980**Jennifer A. Salisbury**
CABINET SECRETARY

March 22, 1999

Titan Resources I, Inc.
ATT: Shirley Melton
500 West Texas - Suite 500
Midland, TX 79701RE: Reclassification of Wells ✓
Brunson Argo, #1-B, #12-H, #13-A
Sec. 9-T22S-R37E
Blinebry Oil & Gas PoolBrunson Argo, #18-C ✓
Sec. 10-T22S-R37E

Gentlemen:


According to the recently submitted Gas-Oil-Ratio Tests dated 10-2-98, 10-5-98, 10-7-98 and 10-7-98 the above-referenced wells will be reclassified from a prorated gas well to an oil well in the Blinebry Oil & Gas Pool effective May 1, 1999, and the gas allowable cancelled effective that date.

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

If these wells are to be reclassified to an oil well in the Blinebry Oil & Gas Pool, please submit the following:

- 1.) Revised Form C-102, acreage dedication plats, outlining 40 acres for these oil well completions.
- 2.) Form C-104 showing reclassification from gas to oil effective May 1, 1999, and designating change of transporters to oil and casinghead gas.

If you have questions, concerning the above, please contact Nelda Morgan at (505) 393-616 Ext. 101.

Very truly yours,
OIL CONSERVATION DIVISION
Chris Williams
Supervisor, District I

CW:nm