STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

POST OFFICE BOX 1980

HOBBS, NEW MEXICO 88241-1980

(505) 393-6161

June 2, 1989

GARREY CARRUTHERS

Hal J. Rasmussen 6 Desta Drive, Suite 5850 Midland, TX 79705

Attn: Scott Ramsey

Re: Reclassification of Wells -- Jalmat Pool State A A/c-1 #2-L Sec. 21, T23S, R36E <u>State A A/c-1 #6-F Sec. 21, T23S, R36E</u> (State A A/c-1 #33-F Sec. 15, T23S, R36E) submitted new test permanangan

Gentlemen:

Due to the recently submitted gas/oil ratio tests the above-referenced wells will be reclassified from gas to oil effective July 1, 1989.

If for some reason you feel the tests do not reflect the proper classification of the wells, please contact Evelyn Downs at (505) 393-6161 and then submit another test for our consideration.

If #2-L and #6-F are to be reclassified please submit to this office a revised acreage dedication plat, Form C-102, outlining 40 acres for each oil well proration unit. Also, if the gas transporter changes as a result of reclassification, please submit Form C-104 so indicating.

If #33-F is reclassified from gas to oil it will be more complicated since it shares a 280-acre gas proration unit with well #31-H. You did not submit a gas/oil ratio test on well #31 but it appears to be producing a considerable amount of gas. Please submit test on #31 as soon as possible. You may wish to retest #33 since this well has always been a gas well and the GOR test submitted is almost up to the gas well classification. However, if we do reclassify #33 you will have to request from our Santa Fe office that the non-standard 280-acre proration unit approved by R-4361-A be reduced since you will be required to delete the acreage dedicated to #33. The deletion of Unit F will cause some of the remaining acreage not to be contiguous and will probably reduce your proration unit for #31 to 80 acres. Please look at this closely and call Evelyn Downs and let her know your decision.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I