



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

July 7, 1987

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

Highland Production Company
810 North Dixie, Suite 202
Odessa, TX 79761

Re: Reclassification of Well
State #1-0, Sec. 16, T23S, R36E
Jalmat Pool

Gentlemen:

Due to the recently submitted gas/oil ratio test for the above-referenced well, it will be reclassified to an oil well in the Jalmat Pool effective September 1, 1987, and the gas 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 July 24, 1987.

If the well is to be reclassified to oil it will be necessary for you to submit a revised Form C-102 outlining a 40-acre proration unit for the oil well classification. If there is to be a transporter change due to reclassification, please submit Form C-104 so indicating.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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