



DIRECTOR
JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 1980 - HOBBS

88240

LAND COMMISSIONER
PHIL R. LUCERO
August 25, 1977



STATE GEOLOGIST
EMERY C. ARNOLD

Highland Production Company
P. O. Box 6725
Odessa, Texas 79760

Re: Reclassification of
State Well No. 1-0
Sec. 16, T-23-S, R-36-E
Jalmat Pool

Gentlemen:

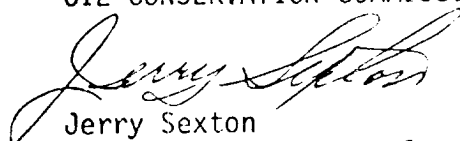
We wrote to you on July 22, 1977, regarding discrepancies between gas-oil ratios for the subject well as reported on Form C-116 and actual producing gas-oil ratios taken from monthly production reports, Forms C-115. We requested that you check and advise as to which reports are correct.

Inasmuch as we have had no reply to this letter, the subject well will be reclassified as a gas well in the Jalmat Pool effective January, 1978 and the oil allowable will be cancelled. This should give you ample time to comply with the provisions of Commission Order No. R-1670 as it pertains to the Jalmat Gas Pool in order that a gas allowable can be assigned for the well.

If you have any questions regarding this reclassification and what is required to comply with Order No. R-1670, please contact this office.

Yours very truly,

OIL CONSERVATION COMMISSION


Jerry Sexton
Supervisor, District 1

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