



# NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

Hobbs - District I  
1625 North French Drive  
Hobbs, NM 88240  
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Jennifer A. Salisbury  
CABINET SECRETARY

August 27, 1999

Southwest Royalties Inc.  
ATT: Anna Schelling  
P. O. Box 11390  
Midland, TX 79702-1390

RE: Reclassification of Well  
Sholes A, #1-P  
Sec. 24-T25S-R36E  
Jalmat Tansill Yates SR Pool

Gentlemen:

The annual Gas-Oil-Ratio Test for the above-referenced well indicated this well should be reclassified from an oil well to a gas well in the Jalmat Tansill Yates Seven Rivers Pool, with the oil allowable being cancelled effective January 1, 2000.

If this test does not reflect the proper classification of this well, please submit another test for our consideration by September 10, 1999.

If the well is to be reclassified from oil to gas you will need to submit the following:

1. Form C-102 acreage dedication plat for the well outlining a standard 160 acres proration unit or application for a NSP.
2. Form C-104 showing reclassification from oil to gas effective January 1, 2000, indicating transporters of condensate and dry gas For this well.
3. Indicate if gas well gas is separately metered.

If you have questions concerning the above, please contact Nelda Morgan at (505) 393-6161 Ext. 101.

Very truly yours,  
OIL CONSERVATION DIVISION

*Chris Williams*

Chris Williams  
Supervisor, District I  
CW:nm

*Remains Del*  
*Rec'd 9-10-99*