STATE OF NEW MEXICO





ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

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

May 20, 1993

Meridian Oil Inc. ATT: Richard Atchley P O Box 51810 Midland, TX 79710

RE: Reclassification of Well JALMAT TANSILL YATES SR Legal, #2-I, Sec. 31-T25S-R37E

Gentlemen:

Due to the recently submitted gas/oil ratio test for the above-referenced well, it will be reclassified from a gas well to an oil well in the Jalmat Pool effective July 1, 1993, and the gas allowable cancelled effective that date.

This test does not conform with the previous characteristics of this well and if you feel this test does not reflect the proper classification of this well, please submit another test for our consideration by May 28, 1993.

If the well is to be reclassified to oil, please furnish this office with the following:

- 1.) C-102 outlining 40 ac to be dedicated to oil well completion.
- 2.) C-104 showing reclassification from gas to oil and designating oil & casinghead gas transporters.

If you have further question, please feel free to contact Evelyn or Donna at District I office, Hobbs NM (505) 393-6161.

Very truly yours,

OLL CONSERVATION DIVISION

Jerry Sexton

District I, Supervisor

submitted new test

JS:dp