

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

December 24, 1996

Penwell Energy, Inc.
600 North Marienfeld, Suite 1100
Midland, Tx. 79701

Re: **Well Placed In Pool**

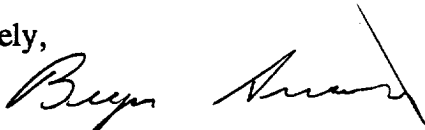
Gentlemen:

As the result of Division Order R-10713 the following described well has been placed in the pool shown below. This change in nomenclature has been made in our files. Please change your records to reflect the proper pool name. All subsequent reports must show this nomenclature until further notice.

Happy Valley; Strawn Gas Pool
Rifleman AFQ "32" State Com. #1
Unit K, Section 32, Township 21 South, Range 26 East, NMPM
Poolcode: 78070

Transporters are advised, by copy of this letter, to change their records to reflect the pool name as established by this order, effective October 1, 1996.

Sincerely,



Bryan Arrant
District Geologist

cc: El Paso Natural Gas Company
Navajo Refining Company
Santa Fe
Mae
Well File ✓