EXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT SOUTHWESTERN DIVISION

November 22, 1988

N.G. Penrose Lease Wells No. 1 and 2 Lea County, New Mexico

13-22-37

Warren Petroleum Company P.O. Box 67 Monument, New Mexico 88265

Attention Don Vollentine

The captioned wells have been downhole commingled in the Blinebry, Drinkard, and Tubb Pools. Gas from the Tubb Pool is prorated and must be reported separately on the gas transporter's monthly C-111 report. Percentage allocations have been established as follows:

| Dil Gas | Gas |

The New Mexico Oil Conservation Division has asked Exxon to contact you to assure proper production reporting for these two wells. Attached are copies of correspondence concerning this request. If you have any questions, please call me at (915) 688-7548.

Sincerely

Stephen Johnson

Administrative Specialist

SJJ:jmf Attachments

c: Evelyn Downs, NMOCD