NEVILLE G. PENROSE, INC.

1957 FEB 13 W 11:50

New Mexico Oil & Gas Conservation Commission Hobbs, New Mexico

Attention: Mr. Randall Montgomery

Re: Hinton #4 and Hinton #10

Gentlemen:

Reference is made to our telephone conversation on February 8th concerning the above two wells. This will advise that the Skelly is taking the gas from these two wells. We will file C-110 in the near future showing Skelly as the gas transporter.

I trust this will answer your questions concerning this lease.

Very truly yours,

John P. McNaughton

JPM/ip