OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

March 29, 1972

Penroc Oil Corporation P. O. Drawer 831 Midland, Texas 79701

Attention: Sterling J. Talley

Administrative Order MSP-874

Gentlemen:

Reference is made to your application for approval of a 40-acre non-standard gas proration unit in the Hobbs Drinkard Pool consisting of the following acreage:

> LEA COUNTY, NEW MEXICO TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM Section 33: SW/4 SE/4

It is understood that this unit is to be dedicated to your Conoco "A" State Well No. 1, located 688 feet from the South line and 2111 feet from the East line of said Section 33.

By authority granted me under provision of Rule 3 of Order No. R-3811, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/GNH/dr cc: Oil Conservation Commission - Hobbs Oil & Gas Engineering Comm. - Hobbs State Land Office - Santa Fe Proration Department, OCC, Santa Fe