PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 6 Hobbs, New Mexico	
May 29, 1963	MAY 31 1963
File:	VES-281-400.1
Subject:	Temporary Permission For Off-Lease Storage Chalk Bluff Draw Unit No. 3P

Mr. M. L. Armstrong New Mexico Oil Conservation Commission P. O. Drawer DD Artesia, New Mexico

Dear Sir:

As discussed by telephone today, you advised permission would be granted to store production from Chalk Bluff Draw Unit No. 3P located in Unit H, Section 8, T-18-S, R-27-E at our battery located in Unit F, Section 9, T-18-S, R-27-E.

We are currently preparing our application for administrative approval to provide for off-lease storage on a permanent basis, however, it will be appreciated if you will advise Service Pipe Line Company, Midland, Texas of your temporary permission for the interim period while our application is being processed.

Yours very truly,

V. E. Staley

V. E. Staleý / Area Superintendent

GDD:dmm