

W. M. Snyder

BAROID DISTRIBUTOR

P. O. BOX 505 **PHONE 2321** LOVINGTON, NEW MEXICO

March 19, 1958

New Mexico Oil Conservation Commission. 125 Mabry Hall, Capitol Building, Santa Fe, New Mexico.

Attention: Mr. William J. Cooley, General Counsel.

Gentlemen:

It is my understanding that Austral Oil Exploration Company Incorporated, Houston, Texas has made application for an exception to New Mexico Oil Conservation Commission Rule 309(a) so as to commingle production from the W. M. Snyder "B" lease (covering Lots 9, 10, 15, 16 and SE/4 Section and "C" lease (covering Lots 1, 7 and 8 Section 6 and Lot 5, Section 5) all in T. S. R. 36 East, Lea Co., New Mexico.

This letter confirms to you that the Undersigned, W. M. Snyder is the lessor and sole royalty owner under each of the above leases; that the royalty percent is the same under fraid leases. The undersigned as such lessor and royalty owner consents to the application of Austral for permission to commingle the Townsend-Wolfcamp production from said leases.

Construction How ton for.

Very truly yours,

W. M. SNXDER

BEFORE THE CONSERVATION COMMISSION SANTA FE, NEW MEXICO

EXHIBIT No.__