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OIL PARTICIPATIONS
INCORPORATED
SAN JACINTO BUILDING
HOUSTON 2, TEXAS

TELEPHONE
ATWOOD 9461

March 24, 1958

File
Austral
Case file
41413

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

Attention: Mr. William J. Cooley, General Counsel

Re: East Townsend Area (DB 56-4)
Lea County, New Mexico
Austral Lease Nos. 03.31 and 03.28
W. M. Snyder "C" and "B" Leases

Gentlemen:

Austral Oil Exploration Company Incorporated, Houston, Texas, acting as General Operating Agent for Oil Participations Incorporated, 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 6) and "C" lease (covering Lots 1, 7 and 8, Section 6 and Lot 5, Section 5) all in Township 16 South, Range 36 East, Lea County, New Mexico.

This letter confirms to you that Oil Participations Incorporated is the record owner of the working interest under each of the above leases and that the working interest percentage is the same under said leases. Oil Participations Incorporated, as working interest owner, consents to the application of Austral for permission to commingle the Townsend-Wolfcamp production from said leases.

Very truly yours,

OIL PARTICIPATIONS INCORPORATED

By

Robert S. Moehlman
Robert S. Moehlman
Vice President

EHD:bp

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