FORM 470 2-57

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68 Hobbs, New Mexico

February 7, 1969

File:

VES-54-400

Subject:

Commingling of Production

GRIZZELL "B" Lease

Drinkard and Paddock Oil

Production Into

GRIZZELL "B" Com Bat

700

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Gentlemen:

Order No. R-1905 dated March 9, 1961, provides for the commingling of DRINKARD and PADDOCK Oil production on our GRIZZELL "B" Lease in the S/2 NE/4 of Section 8, T-22-S, R-37-E, Lea County, New Mexico.

On January 1, 1969, production from the DRINKARD Oil pool ceased and there is no longer a need for the commingling order.

Please cancel Order R-1905 and/or advise of your action.

Yours very truly,

V. E. Staley

RRY/jt

cc: Mr. N. S. Whitmore

Mr. J. E. Leascher

Mr. O. B. Puryear

Mr. D. R. Ryan