



PHILLIPS PETROLEUM COMPANY
BARTLESVILLE, OKLAHOMA 74004

January 21, 1966

EXPLORATION AND PRODUCTION DEPARTMENT

Kemnitz Field Area, Lea County,
New Mexico - Application for
New Discovery

Pennzoil Company
1007 Midland Savings Building
Midland, Texas 79704

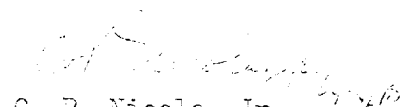
Attention Mr. John W. Higgins

Gentlemen:

Enclosed is copy of your letter of January 14, 1966, describing the completion of the Pennzoil Gulf State Well No. 1, Section 32, Twp. 16S, Rge 34E, Lea County, New Mexico, as a discovery in the Upper Wolfcamp Reservoir.

Approval of this application by Phillips Petroleum Company is evidenced by signature appearing in the space provided at the bottom of your letter. Although Phillips does not have any adjoining leases, we do operate a lease in the Kemnitz Wolfcamp Field to the northwest of your property.

Yours very truly,


O. P. Nicola, Jr.
Director of Proration

CPN:dg

cc: New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention Mr. A. L. Porter, Jr.