

PENNZOIL



COMPANY

ZAPATA DIVISION

1007 MIDLAND SAVINGS BUILDING • MIDLAND, TEXAS 79704 • TELEPHONE 915 MUTUAL 2-7316

January 14, 1966

Phillips Petroleum Company
Permian Building
Midland, Texas

Attention: Production and Engineering Departments

Re: Pennzoil Gulf State No. 1
660' FSL & 660' FEL,
Section 32, T-16-S, R-34-E,
Lea County, New Mexico

Gentlemen:

The captioned wildcat test was drilled to 14,603' in barren Devonian. It is located approximately 1-1/4 miles south and 1/2 mile east of the nearest producing well in the Kemnitz Field and approximately 7/8 mile south of the nearest acreage dedicated to the Kemnitz Field.

We have requested a 40 acres allowable from the New Mexico Oil and Gas Conservation Commission. The granting of this allowable will necessitate the Commission's establishing a new pool designation to be known as the South Kemnitz Upper Wolfcamp Pool.

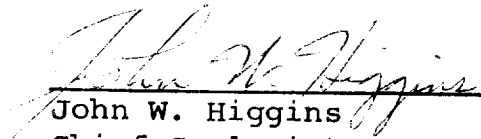
Our well was drilled primarily as a Devonian wildcat and resulted in a pumping Wolfcamp discovery which may or may not prove to be top allowable or commercial as production progresses. It is respectfully requested that your company indicate that you have no objection to the establishment of this proposed new pool designation by affixing your signature in the space provided, and return one signed copy to the New Mexico Oil and Gas Conservation Commission in Hobbs, New Mexico and one copy to our office at the captioned address.

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Thank you for your assistance and cooperation in this matter.

Yours very truly,

PENNZOIL COMPANY


John W. Higgins
Chief Geologist

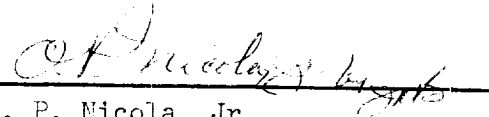
JWH/mlm

Enclosures

APPROVED: On this 21st day of January, 1966.

PHILLIPS PETROLEUM COMPANY

By:


O. P. Nicola, Jr.
Director of Proration