Penroc Oil Corporation / P. O. Box 5970 / Hobbs, New Mexico 88241 / Telephone (505) 397-3596 / Telecopier (505) 393-7051

August 17, 1989

Re: Conversion of Penroc oil Corporation Lea State "403" Well No. 5 to a disposal well

Dear Sir:

Please find enclosed a copy of Penroc Oil Corporation application to convert the Lea State "403" Well No. 5 well to a disposal well. This application is being furnished to you per New Mexico Conservation requirements.

No reply is required unless you object to this application. Thank you for your cooperation.

Sincerely,

PENROC OIL CORPORATION

President

MYM/lm **Enclosures**

CC: Texaco - Hobbs Maralo - Midland Enron - Midland Santa Fe Energy Co. - Midland Mitchell Energy - Midland Bass Enterprises - Midland

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