PENROC Oil Corporation

P. O. DRAWER 831 . MIDLAND, TEXAS . 79701

Telephone (915) 683-1861

June 1, 1971

Re: Penroc Conoco-State No. 1
Unit No. G, Sec. 33-18S-38E
Lea County, New Mexico

Continental Oil Company P. O. Box 431 Midland, Texas 79701

Attention Mr. Robert F. Mathews Exploration Manager

Gentlemen:

Penroc Oil Corporation is presently completing their Conoco-State No. 1 well drilled at a location 1980' NL and 2130' EL of Section 33, T-18-S, R-38-E, Lea County, New Mexico, in the Hobbs-Drinkard Pool.

The New Mexico Oil Conservation Commission spacing rules require that the 80 acre proration unit for a well completed in the Hobbs-Drinkard pool be within the same quarter section. Penroc is requesting that the Oil Conservation Commission approve an 80 acre proration unit for the above well consisting of the SW/4 NE/4 and NW/4 SE/4 of Sec. 33-18S-38E.

This is to request that Continental Oil Company consent to the formation of the 80 acre production unit described above for the Conoco-State No. 1.

Please indicate your response on the copy of this letter and return to Penroc. Thank you.

Very truly yours,

PENROC OIL CORPORATION

H. Brace Wigzell

RECEIVED

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OIL CONSERVATION COMM.

HOBBS, N. M.