

NEW MEXICO OIL CONSERVATION COMMISSION BOX 2045 HOBBS, NEW MEXICO

TO: R. Clse Oil Co.

Box Z, Jal, N. w Mexico

GENTLEMEN:

Form C-104 for your S. R. Cooper 1 23-24-36 Jalco

LEASE WELL S.T.R. POOL

has been approved, however, since this well is:

(X) An unorthodox location,

(X) Located on an unorthodox proration unit,

() Outside the boundaries of a designated pool,

it will be necessary for you to;

() Comply with the provisions of Rule 4 of Commission Order R-368 A

() File Form C-123

Pending further Commission action this unit will be assigned an 80 acre allowable.

SJS A. L. Porter, Jr. Proration Manager

ALP/pb

cc/ Transporter El Paso Natural Gas Co.