

HUMBLE OIL & REFINING COMPANY

P. O. Box 2100
Hobbs, New Mexico 88240
March 18, 1969

APR 10 1969

2713-128

22-2: Request to commingle oil production from the New Mexico B (Acct. 1) and C State Leases, Eumont Oil Pool, Lea County, New Mexico

Mr. A. L. Porter, Jr., Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Humble Oil & Refining Company requests administrative approval to commingle Eumont oil from New Mexico C State Lease with Eumont oil on New Mexico B State Account No. 1, Lea County, New Mexico.

The New Mexico C State, State Lease No. B-2150, consists of forty acres. New Mexico C State, Well No. 1 (Eumont Oil), Unit A, Section 29, T-21-S, R-36-E, has an allowable of 9 barrels per day with a GOR of 333. Average gravity of this crude is 31.4° A.P.I. New Mexico C State Tank Battery No. 1 consists of 1-300 barrel wood stock tank, 1-500 barrel wood wash tank, and 1-3' x 11' oil and gas separator. This equipment is in poor condition and will have to be replaced in the near future.

New Mexico B State Account No. 1, State Lease No. B-935 of 360 acres, and New Mexico B State Account No. 1, State Lease No. 8191 of 40 acres, were commingled in May 1959, and are served by New Mexico B State Account 1 Tank Battery No. 2, located in Unit K, Section 29, T-21-S, R-36-E, Lea County, New Mexico. Average gravity of this crude is 32.2° A.P.I.

There will be no monetary gain or loss due to commingling. Listed below are the December, 1968 oil production data for the above leases:

<u>Lease</u>	<u>Bbls. Oil</u>	<u>Value</u>	<u>Per Bbl.</u>	<u>Total Value</u>
	<u>Production</u>	<u>Gravity</u>		
New Mexico B State Account No. 1, State Lease No. B-935 and State Lease No. 8191 (8 Eumont Oil Wells)	2,612	32.2	\$2.84	\$7,418.08

HUMBLE OIL & REFINING COMPANY

Mr. A. L. Porter, Jr.

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March 18, 1969

<u>Lease</u>	<u>Bbls. Oil</u> <u>Production</u>	<u>Gravity</u>	<u>Value</u> <u>Per Bbl.</u>	<u>Total Value</u>
New Mexico C State, State Lease No. B-2150 (New Mexico C State Well No. 1 - Eumont Oil Well)	201	31.4	\$2.82	\$ 566.82

We request your approval that New Mexico C State be produced into common storage with the production now going into New Mexico "B" State Account No. 1 Tank Battery No. 2, with the production for each well prorated on the basis of quarterly well tests.

The attached plat shows the location of New Mexico B State Account No. 1, Tank Battery No. 2, and the leases to be commingled.

Approval for this request has been received from the New Mexico Commissioner of Public Lands and Signal Oil & Gas Company, the purchaser. Copies of these letters are attached.

Please notice that the approvals from Signal and Public Lands both refer to an additional lease to be commingled - New Mexico "B" State Account 2. This lease has been deleted from this request since it has a different royalty interest, and New Mexico Oil Conservation Commission rules would require the production to be metered if New Mexico "B" State Account 2 were included.

Very truly yours,

HUMBLE OIL & REFINING COMPANY


C. W. Armstrong, Jr.

LNP/mcb

1. The first part of the document discusses the importance of maintaining accurate records of all transactions.

2. It is essential to ensure that all entries are supported by proper documentation and receipts.

3. Regular audits should be conducted to verify the accuracy of the records and to identify any discrepancies.

4. The second part of the document outlines the procedures for handling cash and credit transactions.

5. All cash receipts should be recorded immediately and deposited in a secure bank account.

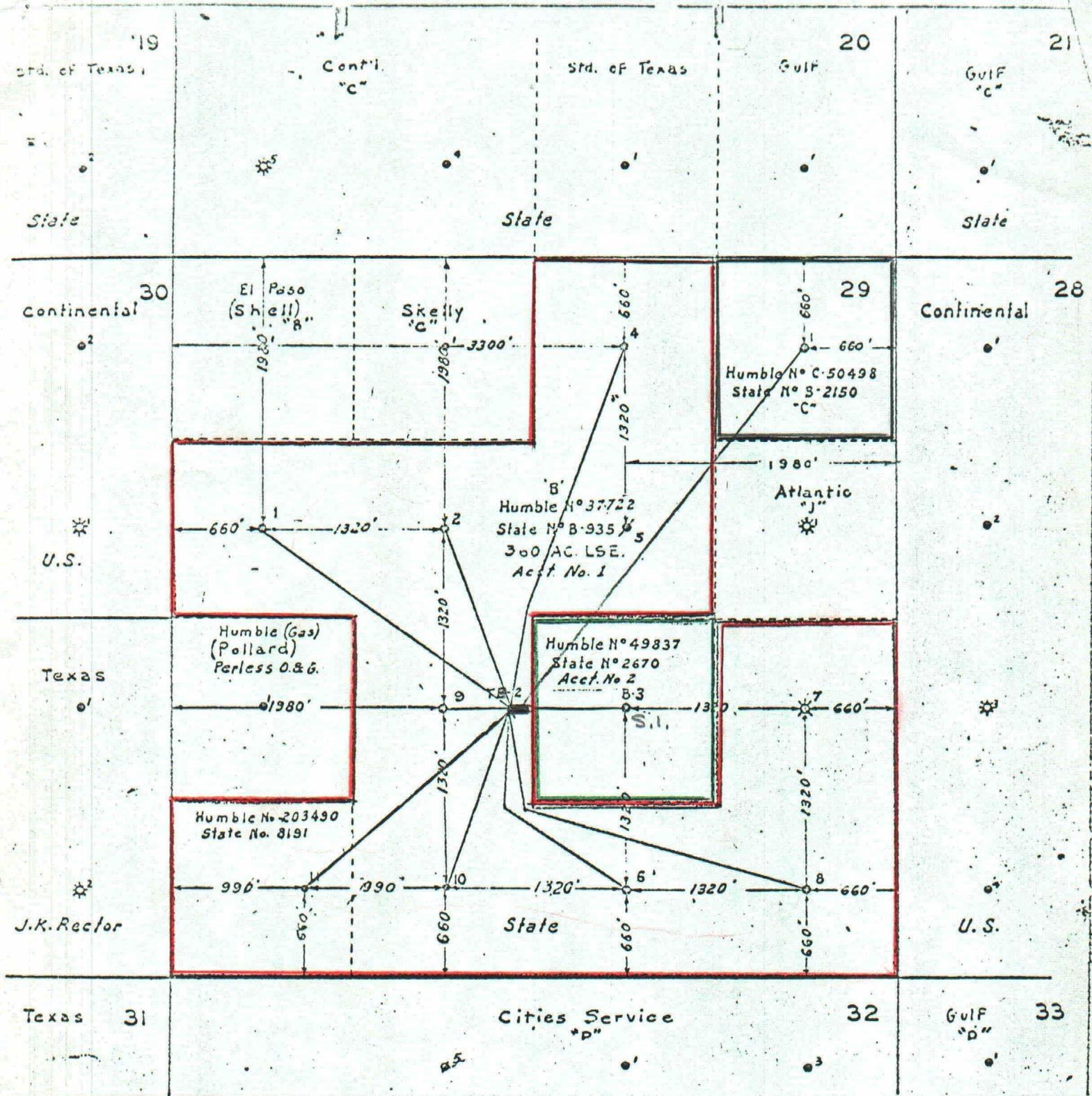
6. Credit sales should be recorded on an accrual basis, and accounts receivable should be monitored closely.

7. The third part of the document provides guidelines for managing inventory and fixed assets.

8. Inventory should be counted regularly to ensure that the recorded quantities match the actual stock on hand.

9. Fixed assets should be depreciated according to the applicable tax laws and accounting standards.

10. The final part of the document summarizes the key points and emphasizes the importance of consistent record-keeping.



New Mexico B State Account No. 1 (State Lease No. B-935 & State Lease No. 8191)
 New Mexico B State Account No. 2 (State Lease No. 2670)
 New Mexico C State (State Lease No. B-2150)

Sec 29, T-21-S, R-36-E, Lea County, New Mexico

Signal Oil and Gas Company

Houston Division: P. O. Box 5008, Houston, Texas 77012 WAInut 3-1651 Cable address: SIGOILGAS

March 12, 1969

Re: Request to commingle oil
production from the New Mexico
B (Acct.1), B (Acct.2) and C
State Leases, Eumont Oil Pool
Lea County, New Mexico
C/O #591 - IBM #30346
C/O #592 - IBM #30347
C/O #593 - IBM #30348

Humble Oil & Refining Company
P. O. Box 2100
Hobbs, New Mexico 88240

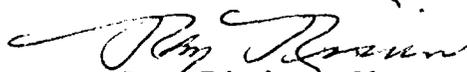
Attention: Mr. C. W. Armstrong, Jr.

Gentlemen:

Your letter dated 3-6-69 concerning the above
commingling request has been received.

As a purchaser of crude oil from this unit, we
have no objection to you proceeding with your plans to
commingle as outlined in your letter.

Yours very truly,


Ray Risien, Manager
Crude Oil Department

RR:dc

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

March 3, 1969

P. O. BOX 1148
SANTA FE, NEW MEXICO

Humble Oil & Refining Company
P. O. Box 2100
Hobbs, New Mexico 88240

Re: Request to commingle oil production from
the New Mexico B (Acct. 1), B-(Acct. 2),
and C State Leases, Eumont Oil Pool,
Lease Nos. B-2150, B-2670, B-8191, B-935
29 - 21S - 36E - Lea County, New Mexico

Attn: Mr. M. C. Turner

Gentlemen:

As per our telephone discussion, the above request is hereby approved
by the Commissioner of Public Lands.

The approval is given with the understanding that the Commissioner can
withdraw said approval at any time that the operation does not seem feasible
to the State of New Mexico. Also, this is subject to approval by the Oil
Conservation Commission.

Thank you for the \$10.00 filing fee and all pertinent information.

Yours very truly,

ALEX J. ARMIJO
Commissioner of Public Lands

By: *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

AJA:TB:RM:cw

cc: Oil Conservation Commission
Oil and Gas Accounting Commission