

Gulf Energy and Minerals Company - U. S.

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

December 12, 1975

P. O. Box 670
Hobbs, New Mexico 88240

Re: H. T. Mattern (NCT-D) & (NCT-E)
Leases, Sections 6 & 7-22S-37E
& Sections 1 & 12-22S-36E, Lea
County, New Mexico

Mr. Joe D. Ramey
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf recently drilled deeper and completed the H. T. Mattern (NCT-E) No. 13 well in the Drinkard Pool. In order to avoid considerable expense to install and maintain a tank battery for one Drinkard well and the close proximity of a Drinkard tank battery on the H. T. Mattern (NCT-D) Lease, Gulf hereby seeks an exception to Rule 309-B to allow Gulf to surface commingle Drinkard production from the H. T. Mattern (NCT-E) No. 13 well with the Drinkard production from the H. T. Mattern (NCT-D) Nos. 13, 14, 15, 16 and 17 wells. All wells will be tested periodically for allocation of production.

The attached tabulation shows the volumes, gravities and monetary values of the liquid hydrocarbons from individual pools, as well as commingled production. The tabulation also shows total average daily production for a 61 day period in the Drinkard Pool from the H. T. Mattern (NCT-D) Lease and test production in the Drinkard Pool from the H. T. Mattern (NCT-E) No. 13.

The calculated revenue from the commingled production will be the same as uncommingled production.

Attached is a schematic diagram of the proposed installation, along with a lease plat and a letter of approval from Western Crude Oil, Inc.

The working interest ownership, royalty ownership and overriding royalty ownership is the same on both leases and attached is the registered mail receipt where all of the involved parties have been notified.

This commingling proposal is in the interest of conservation in that it prevents unnecessary waste and production expense.

Yours very truly,



C. D. BORLAND

RDW:ptg
Att'd.



A DIVISION OF GULF OIL CORPORATION

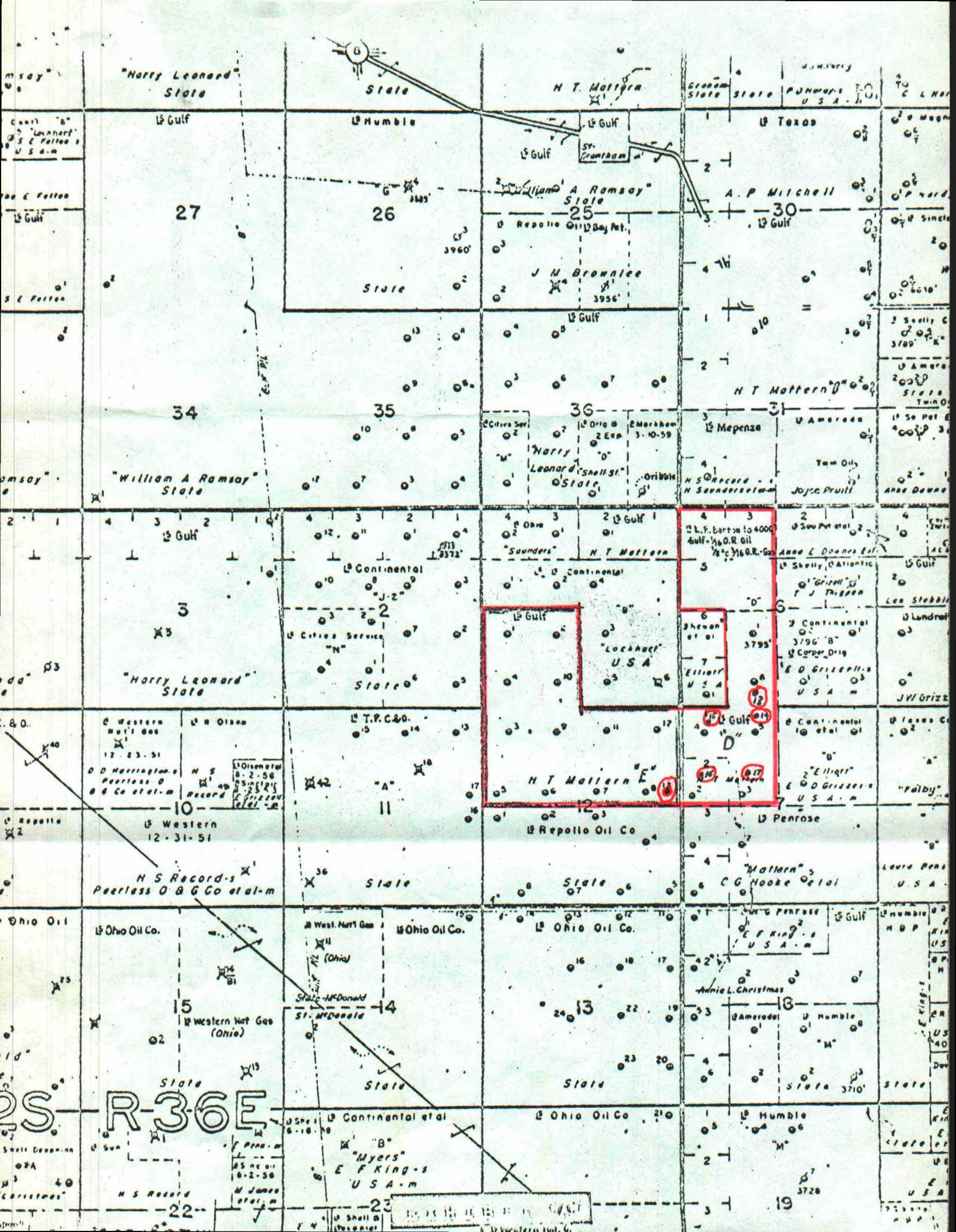
H. T. MATTERN (NCT-D) AND (NCT-E) LEASES
Lea County, New Mexico

<u>Well Numbers</u>	<u>Pool</u>	<u>Production</u>		<u>Total</u>	<u>Average BOPD</u>
		<u>Oct. 1975</u>	<u>Nov. 1975</u>		
H.T.Mattern (NCT-D) Nos. 13,14,15,16 & 17	Drinkard	9,979	9,230	19,209	314.9
H.T.Mattern (NCT-E) No. 13	Drinkard*				13.0

*Test production

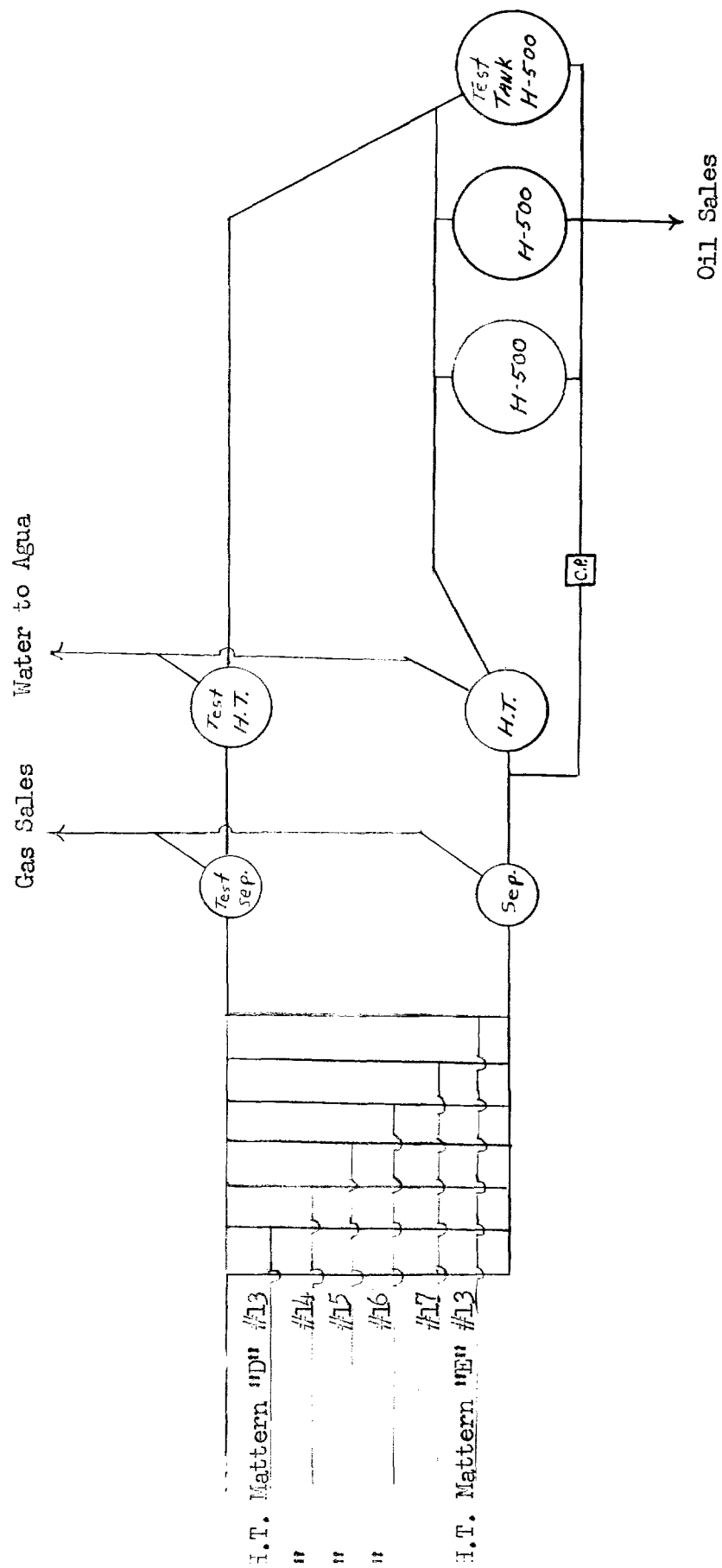
	<u>BPD</u>	<u>Gravity</u>	<u>\$/Barrel</u>	<u>\$/Day</u>
H. T. Mattern (NCT-D)	314.9	37.6	\$10.50	\$3,306.45
H. T. Mattern (NCT-E)	<u>13.0</u>	37.3	\$10.50	<u>\$ 136.50</u>
Total	327.9			\$3,442.95
Commingled	327.9	37.6	\$10.50	<u>\$3,442.95</u>
Difference				None

RDWo:ptg
12-12-75



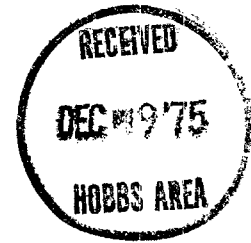
GULF OIL CORPORATION
SCHEMATIC DIAGRAM

PROPOSED COMMINGLING INSTALLATION - H. T. MATTERN (NCT-D) TANK BATTERY





Western Crude Oil, Inc.



December 8, 1975

John A. Mills
Vice President
West Texas-New Mexico Division

Re: H. T. Mattern "E" Lease
Lea County, New Mexico

C. D. Borland, Jr.
P.O. Box 670
Hobbs, New Mexico 88240

Gentlemen: Attention: Mr. R. D. Worley

Western Crude Oil, Inc. has agreed to purchase the Drinkard production of Gulf Oil Corporation's H. T. Mattern "E" lease. We understand that it will be commingled with the Drinkard production of the H. T. Mattern "D" lease.

Yours very truly,

Joe A. Achilles
Crude Oil Representative

cc: Joe Colvin
Gulf Oil Corporation
Midland, Texas

Gulf Energy and Minerals Company - U. S.

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

December 8, 1975

P. O. Box 670
Hobbs, New Mexico 88240

CERTIFIED MAIL - RETURN
RECEIPT REQUESTED

Re: H. T. Mattern (NCT-D) and
H. T. Mattern (NCT-E) Leases -
Surface Commingling

Royalty Owners
c/o C. H. Price II
Price Candy Company
1 West Armour
Kansas City, Mo. 64141

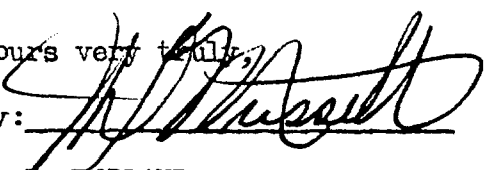
Gentlemen:

Gulf recently drilled deeper and completed the H. T. Mattern (NCT-E) No. 13 well in the Drinkard Pool. In order to avoid considerable expense to install and maintain a tank battery for one Drinkard well and the close proximity of a Drinkard tank battery on the adjacent H. T. Mattern (NCT-D) Lease, Gulf proposes to surface commingle the Drinkard production on these two leases at the H. T. Mattern (NCT-D) tank battery.

The calculated revenue from the commingled production will be the same as separate production.

Under the provision of Rule 309 B of the New Mexico Oil Conservation Commission, Gulf is informing you (as a royalty owner and as attorney in fact for other royalty owners as shown on the attached list) of our intention to seek a surface commingling permit at the H. T. Mattern (NCT-D) tank battery.

Yours very truly,

By: 

C. D. BORLAND

RDWO:ptg
att'd.

cc: OCC, Santa Fe, N.M. 88501



SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services)

☐ Show to whom, date and address
where delivered

☐ Deliver ONLY
to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

416414

1
2

Price Candy

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

INSURED NO.

Geo Kettler

DATE DELIVERED

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

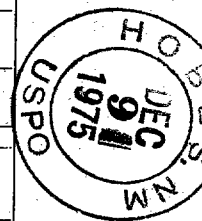
Dec 12 1975

3

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO	<i>Mr. Charles H. Price II</i>
STREET AND NO.	<i>Price Candy Co</i>
	<i>1 W. Arrow</i>
P.O., STATE AND ZIP CODE	<i>Kansas City, Mo. 64114</i>
OPTIONAL SERVICES FOR ADDITIONAL FEES	
RETURN RECEIPT SERVICES	1. Shows to whom and date delivered 15¢ With delivery to addressee only 65¢
	2. Shows to whom, date and where delivered .. 35¢ With delivery to addressee only 85¢
DELIVER TO ADDRESSEE ONLY	 50¢
SPECIAL DELIVERY (extra fee required)	

POSTMARK
OR DATE



No. 416414

PS Form 3800
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See other side)

* GPO : 1972 O - 460-743

OWNER	NAME AND ADDRESS	ACCT	STAT	OIL INT	GAS INT
0078358-00-9	CHARLES H PRICE II CARE PRICE CANDY CO 1 W ARMOUR KANSAS CITY MO 64141	1	1	.0245140	.0245140
0078359-00-7	CHARLES H PRICE II ATTORNEY IN FACT FOR DAVID E PRICE CARE PRICE CANDY CO 2 WEST 39TH ST KANSAS CITY MO 64111	1	1	.0035020	.0035020
0078360-00-5	CHARLES H PRICE II ATTORNEY IN FACT FOR EDWARD C PRICE CARE PRICE CANDY CO 2 WEST 39TH ST KANSAS CITY MO 64111	1	1	.0035020	.0035020
0078362-00-1	CHARLES H PRICE II ATTORNEY IN FACT FOR PEOPLES SECURITIES CO CARE PRICE CANDY CO ONE WEST ARMOUR BLVD KANSAS CITY MO 64111	1	1	.0337420	.0337420
0078363-00-9	CHARLES H PRICE II ATTORNEY IN FACT FOR LINWOOD SECURITIES CO CARE PRICE CANDY CO 2 WEST 39TH ST KANSAS CITY MO 64111	1	1	.0337420	.0337420
0078364-00-7	CHARLES H PRICE II ATTORNEY IN FACT FOR MAPLE DUNBAR EARP CARE PRICE CANDY CO 2 WEST 39TH ST KANSAS CITY MO 64111	1	1	.0035020	.0035020
0078365-00-4	CHARLES H PRICE II ATTORNEY IN FACT FOR MAIN STREET HOLDING CO CARE PRICE CANDY CO ONE WEST ARMOUR BLVD KANSAS CITY MO 64111	1	1	.0112480	.0112480
0078366-00-2	CHARLES H PRICE II ATTORNEY IN FACT FOR WESTPORT BANK CARE PRICE CANDY CO 2 WEST 39TH ST KANSAS CITY MO 64111	1	1	.0112480	.0112480
180000-00-3	GULF OIL CORPORATION	4	9	.8750000	.8750000
				<u>1.0000000</u>	<u>1.0000000</u>