

COMM. ON OIL & NATURAL  
RESOURCES  
U.S. HOUSE OF REPRESENTATIVES  
Washington, D.C. 20540

63-111-9-111-10

March 7, 1967

Re: Exception to Rule 303  
H. T. Mattern (NCT-B)  
Lease, S/2 Section 30,  
N/2 Section 31-21S-37E,  
Lea County, New Mexico

Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
P. O. Box 2038  
Santa Fe, New Mexico

Dear Sir:

Due to deterioration of tank battery equipment, we request your administrative approval for commingling the Blinbry and Penrose Skelly Pool on the above lease.

Attached is a plat showing the lease location, a 60 day production tabulation for each pool, and a copy of a letter from Shell Oil Company agreeing to purchase the commingled crude from the H. T. Mattern (NCT-B) Lease. This is a fee lease, and approval by the Commissioner of Public Lands is not required.

The following tabulation indicates a negligible effect on income by the proposed commingling:

| <u>Pool</u>    | <u>Dec. B/D</u> | <u>API Grty @ 60°</u> | <u>\$/Bbl.</u> | <u>\$/Dwy</u>  |
|----------------|-----------------|-----------------------|----------------|----------------|
| Blinbry        | 3.7             | 35.9                  | \$2.90         | \$10.72        |
| Penrose Skelly | <u>6.5</u>      | <u>33.8</u>           | <u>\$2.86</u>  | <u>\$18.60</u> |
| Total          | 10.2            |                       |                | \$29.32        |
| Commingled     | 10.2            | 34.5                  | \$2.88         | \$29.40        |
|                |                 | Gain                  |                | \$ 0.08        |

Your early approval of this proposal would be appreciated.

Yours very truly,

*C. D. Borland*

C. D. BORLAND  
Area Production Manager

SCS:ptg  
Mtd.

cc: Oil Conservation Commission, Hobbs, N.M.  
D. L. Williams, Midland, Texas  
H. L. Taylor, Roswell, New Mexico

**ILLEGIBLE**

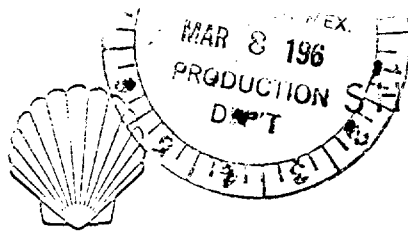
CHIEF OIL CORPORATION - H.T. MANNING (HCT-B)

60 Day Production Record

| Pay           | Well No.  | Production 1956 |      | Avg. B/D |
|---------------|-----------|-----------------|------|----------|
|               |           | Nov.            | Dec. |          |
| Blinchay      | 8         | 36              | 116  | 2.6      |
| Penrose Gully | 1, 10, 11 | 72              | 201  | 6.0      |

**ILLEGIBLE**

RCS:ptg  
Hobbs, N.M.  
2-10-57



SHELL OIL COMPANY

SHELL BUILDING

P. O. BOX 2099

HOUSTON, TEXAS 77001

RECEIVED

FEB 27 1967

CRUDE OIL DEPT.

February 24, 1967

Subject: Gulf Oil Corporation  
H. T. Mattern NCT-B  
Section 30, 21-S, 37-E  
Lea County, New Mexico

Gulf Oil Corporation  
P. O. Box 1150  
Midland, Texas

Attention Mr. D. L. Williams

Gentlemen:

In regard to your request to commingle the production from the Blinebry and Penrose-Skelly zones on the above lease, we have no objections to this commingling so long as gravities and volumes remain as they are at the present time.

When we have received a copy of the approved commingling permit we will adjust our records accordingly.

Yours very truly,

T. B. Medders  
Crude Oil Representative

TEM:OG

cc - Shell Pipe Line Corporation  
Midland, Texas  
Attention Mr. M. J. Nevill

