

TENNECO OIL COMPANY · P. O. BOX 1031 · 1800 WILCO BUILDING · MIDLAND, TEXAS 79701

May 5, 1966

## RECEIVED

New Maxico Oil Conservation Commission P. 0. Box 2088 Santa Pe, New Mexico

MAY 9 1966

o. c. c. ARTERIA, OFFICE

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Attention: Mr. Damiel S. Mutter

RE: Tenneco's State Lease W/2 NW/4 Section 30, T-17-S, R-31-E Eddy County, New Mexico

Gentlemen:

This lease contains three wells with wells No. 1 and No. 3-X being completed in the Grayburg Jackson Field and No. 2 in the From Field. This lease was obtained by Tenneco Oil Company from Delhi-Taylor Oil Corporation with all three wells producing into common facilities. We believed that commingling authority (exception to Rule 303) had been obtained by Delhi-Taylor; however, your letter or April 19, 1966, indicates you cannot locate any such authorisation in your files.

A review of the lease production shows the No. 2 well to be averaging 21 barrels of oil per month during the first three months of 1966. This production rate is unprofitable to Tenneco and does not warrant the time and effort of either the Commission or Tenneco messaary to secure commingling authorisation. The No. 2 well, Fren Field, is therefore being shut-in this date, and it is requested that it be removed from the allowable schedule.

Thank you for your consideration in this matter. paperate tion des

Yours very truly,

THINKICO OIL COMPANY

Orig nal Signed By: A W LANG

A. V. Lang District Production Superintendent

## ACTIPt

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