



Chevron U.S.A. Inc.
P.O. Box 670, Hobbs, NM 88240

Production Department
Hobbs Division

NOV 28 1990
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November 28, 1990

SURFACE COMMINGLE APPLICATION
H.T. MATTERN (NCT-B) LEASE
MATTERN (HANSON) LEASE
SEC 30 & 31, T21S, R37E, NMPM
LEA COUNTY, NEW MEXICO

*Jim M. Tupman
Hobbs 397-8731*

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico

Attention: Mr. William J. LeMay - Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests an exception to Rules 303A and 309A to save considerable expense in repair and maintenance of the Mattern (Hanson) Lease battery. The subject battery currently has only two wells producing into it at an average of 10 BOPD. It is desired to surface commingle the Mattern (Hanson) Well No.s 1 and 2, producing from the Blinebry Oil and Gas Pool, with the H.T. Mattern (NCT-B) Battery No. 12 which currently receives DHC production, NMOCD Order R-5274 - 8/31/76, from the Drinkard Oil and Blinebry Oil and Gas Pools (H.T. Mattern (NCT-B) Well No.s 14-25).

Extensive repairs are currently required on the Mattern (Hanson) battery in order to maintain operation and to eliminate potential safety hazards. The current level of Blinebry Oil and Gas Pool production from Mattern (Hanson) No.s 1 and 2 is marginal at a combined average rate of 10 BOPD and will not economically support the cost of repairing the subject battery.

In completion of the surface commingling of production from the subject leases, it should be noted that provisions will be incorporated to allow for individual well testing and proper allocation of production for each pool. Also, royalty interests within each pool underlying the two leases will be maintained and the purchaser will accept the commingled production. Attached is a tabulation showing individual pool gravities, production and revenues along with the expected commingled values. Also attached are battery schematics, a brief production history of each well, and a lease plat.



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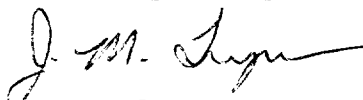
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Therefore, to avoid waste by restoration of the Mattern (Hanson) Battery and avoid premature abandonment of the lease, Chevron respectfully requests that the NMOCD grant approval of this application for exception to Rules 303-A and 309-A and allow Chevron to commingle production from the Mattern (Hanson) battery with the H. T. Mattern (NCT-B) Lease Battery No. 12.

Yours very truly,


FOR R. C. Anderson

JMT/jmt
Attachments
Enclosures

cc: NMOCD - Hobbs
L.B. Ivanhoe
A.W. Bohling