Gulf Oil Exploration and Production Company

R. C. And Studin Port Dot IN MANDER, HOBBS AREA March 7, 1980

P. O. Box 670 Hobbs, NM 88240

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

RE: H. T. Mattern (NCT-D) Nos. 14 and 17 Unit Cand F, Section 7-T22S-R37E Lea County, New Mexico

Dear Sir:

Your administrative approval is requested for an exception to Rule No. 303-C-2 to permit down-hole commingling of marginal Tubb and Drinkard production in these subject wells. The Tubb and Drinkard production on this lease is currently down-hole commingled in the well bore of wells No. 11, 12 and 16 under Administrative Orders DHC-275, DNC-284 and DHC-283, respectively.

There is no evidence of fluid incompatibility and we do not expect any waste or reservoir damage due to down-hole commingling in the well bore. Ownership in the two pools is common and correlative rights will not be violated. Down-hole commingling will allow the recovery of additional hydrocarbons from this well. Both zones will have to be pumped.

The H. T. Mattern (NCT-D) No. 14 well was drilled and completed in the Drinkard in 1975 and recompleted in the Tubb in 1979, temporarily abandoning the Drinkard. The H. T. Mattern (NCT-D) No. 17 well was drilled and completed in Drinkard in 1975 and recompleted in the Tubb in 1979, temporarily abandoning the Drinkard. Attached are the completion histories, decline curves and latest well tests for both wells.

Should secondary recovery operations become practical in the future, the two zones could be separated at that time without damaging either reservoir.

Also attached are other pertinent data regarding this Application as outlined in Rule 303-C-2.

Yours very truly,

KML/jr

Attachments

A DIVISION OF GULF OIL CORPORATION