

INTER-OFFICE COMMUNICATION
TENNECO HYDROCARBON CHEMICALS DIVISION
(RES-134-71CD)

DATE MARCH 23, 1971

TO: ACCOUNTING DEPARTMENT

FOR: MR. C. A. GREIF

FROM: MR. R. E. SIMMONS

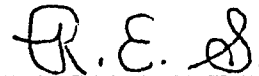
CC: MR. DON WEINTRAUB - TPD
HEO
RMP✓

RE: VCM--CONOCO TOLLING

Conoco Plastics owes Tenneco Plastics 1,658,915 lbs. of VCM against the 1970 VCM tolling arrangement. In other words, Hydrocarbon shipped 1,658,915 lbs. of VCM to Aberdeen, Mississippi, that was not converted by Conoco to resin for Tenneco Plastics; and, therefore, Conoco owes this material to Tenneco.

I believe that Hydrocarbon has already invoiced Tenneco Plastics for this material, and thus, any monetary imbalance is between Tenneco Plastics and Conoco Plastics. We plan to take the VCM back from Conoco starting in March. Conoco shipped 3 of their 30,000 gallon tank cars to Flemington and Burlington on March 23 and 24. Depending upon TPD's requirements and our own VCM production, we plan to take the remaining VCM from Conoco during April. The return of the VCM from Conoco should not be confused with the forthcoming swap of VCM with Conoco, whereby Tenneco will ship VCM to Diamond for Conoco and Conoco will ship VCM to Tenneco Plastics.

Please advise me if you have any questions.



R. E. SIMMONS

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