

PC N/R  
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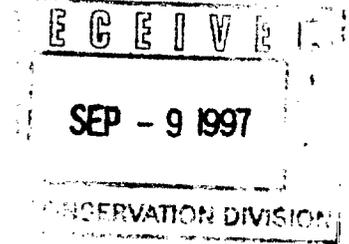
Mid-Continent Region  
Production United States



P.O. Box 2409  
Hobbs, NM 88241-2409  
Telephone 505/393-7106

September 3, 1997

Mr. David Catanach  
Oil Conservation Department  
Energy and Minerals Department  
P.O. Box 2088  
Santa Fe, New Mexico 87501



RE: **Request for Exception to Rule 303-A  
Application for Surface Commingling**

**Bertha Barber Lease**  
46990  
**Section 5, T-20-S, R-37-E  
Monument Blinebry  
Lea County, New Mexico**

46970  
**Bertha Barber Well No. 16  
Unit Letter K, 2140' FSL & 1650' FWL  
Section 5, T-20-S, R-37-E  
Monument Abo  
Lea County, New Mexico**

Dear Mr. Catanach:

Marathon Oil Company respectfully requests administrative approval to permit the surface commingling of production in the above mentioned production.

Marathon Oil Company has a 100% Working Interest in the above mentioned lease. Marathon Oil Company proposes to utilize the Bertha Barber storage and sales facility currently utilized for the Blinebry production. Production from the Bertha Barber Well No. 16 will be separated and metered prior to commingling at the production facility. The proposed production operation is in accordance with the applicable provisions.

Please find attached a lease plat and a production facility schematics. The Blinebry oil production (11 BOPD @ 39.4 API, 0.9 % sulfur) is currently valued at WTS crude price. The Abo oil production (125 BOPD @ 41.0 API, 0.42% sulfur) is valued at WTI crude price. The commingled estimated oil production (136 BOPD @ 40.8 API) is anticipated to be valued at WTI crude price. Therefore, there will not be any loss in value of the commingled production.

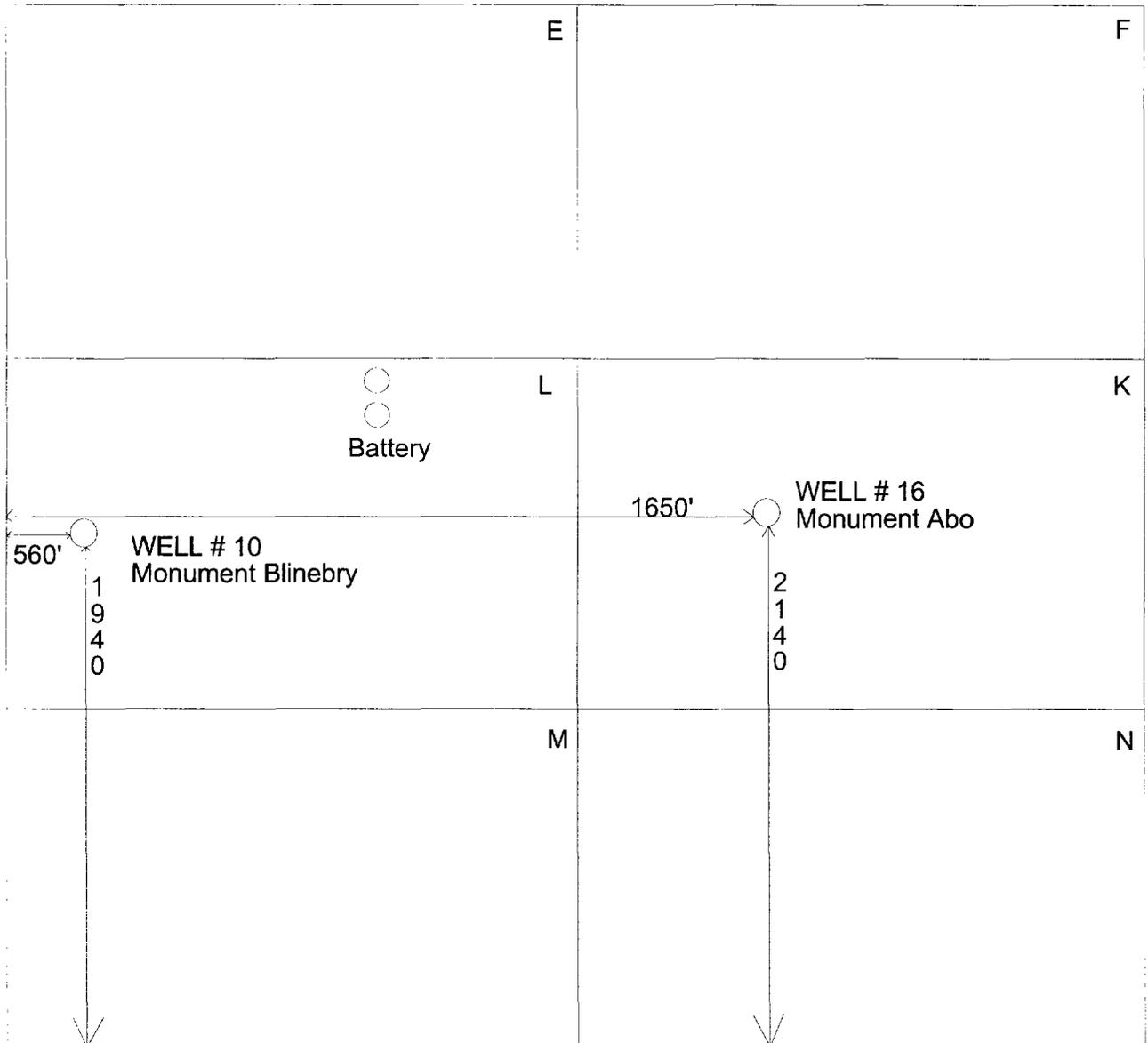
If additional information is necessary, please contact me at (505) 393-7106, ext 201.

Sincerely,

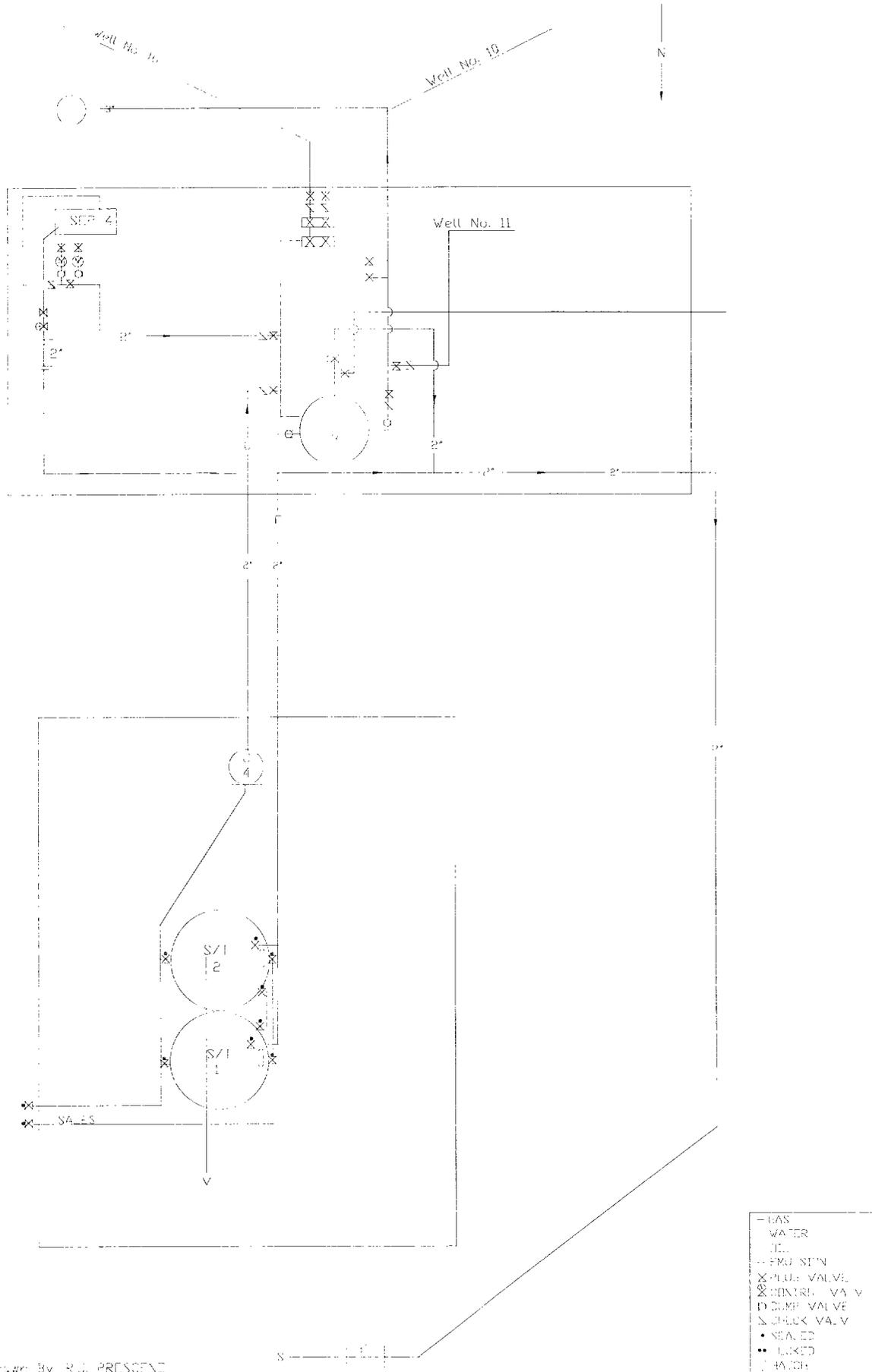
*Thomas P. Kacir*  
Thomas P. Kacir  
Production Engineer

TPK/dbc  
Enclosure

BERTHA BARBER LEASE  
SEC. 5, T-20-S, R-37-E  
MONUMENT FIELD  
LEA COUNTY, NM

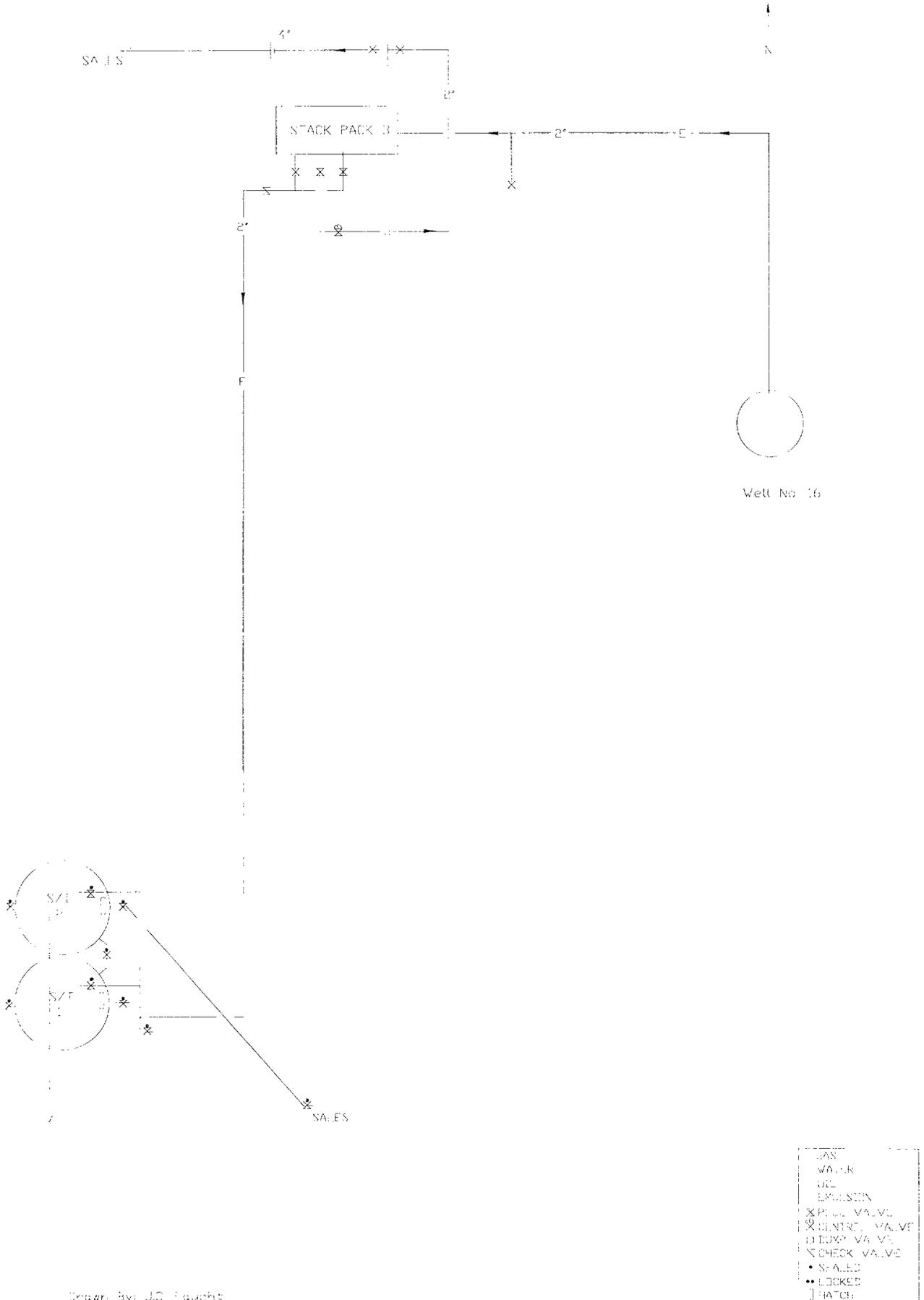


Production Facility Drawing  
 Bertha Barton (South) Battery  
 Monument Field, NM  
 November 4, 1996  
 Revised September 5, 1997



Drawn By: R.C. PRESCOTT  
 Revised By: J.L. FAUGHT

Production Facility Drawing  
 Bertha Barber Well No. 16 Battery  
 Monument Field, NM  
 September 5, 1997



Drawn By: J.C. Faught