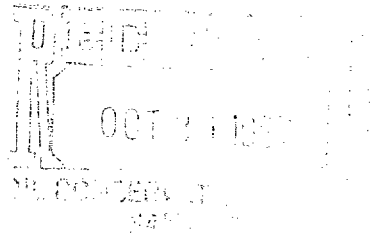


ARCO Oil and Gas Company

Permian District - West Area
P.O. Box 1710
Hobbs, New Mexico 88240
Telephone 505 392 3551



October 21, 1987

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088
Attn: William J. Lemay

Dear Sir:

ARCO Oil and Gas Company requests exception to Rule 303-B and asks for administrative approval to surface commingle the oil produced from the Monument Blinebry and Monument Paddock on its Bertha J. Barber lease. The lease is located in E/2 E/2 of Section 7, W/2 NW/4 and NW/4 SW/4 Section 8, T-20-S, R-37-E, Lea County, New Mexico.

The API gravities and respective values of each pool are shown below:

<u>POOL</u>	<u>API GRAVITY</u>	<u>VALUE PER BBL</u>	<u>BBL PER DAY</u>
Monument Blinebry	38.5°	\$18.60	64
Monument Paddock	36.0°	\$18.60	31

The commingled production API gravity will be 37.7° at a price of \$18.60 per barrel. The commingled production will not be less than the sum of the values of the production from each source common supply.

We also request that commingling be allowed without metering but production be separated by monthly well test.

The enclosures show the location of each well, proposed battery installation and daily average production for 60 days.

Sincerely,

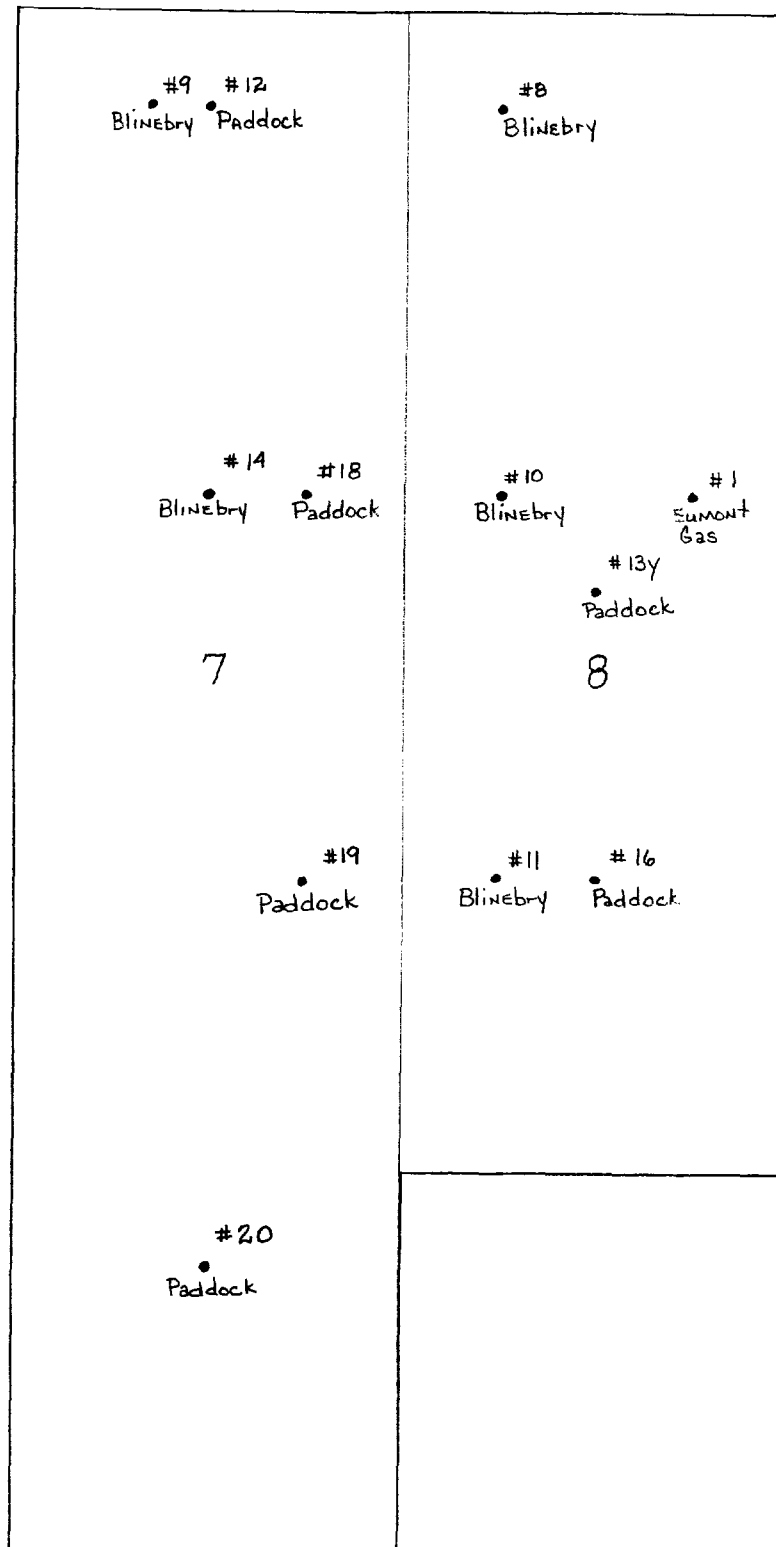
Rodney B. Davidson
Prod. Supvr. *RC*

RBD:knc

Enclosures

cc: S.D. Smith
B.W. Fletcher
G.W. Wink
C.F.

ARCO OIL + GAS



T
2
0
S

R-37-E

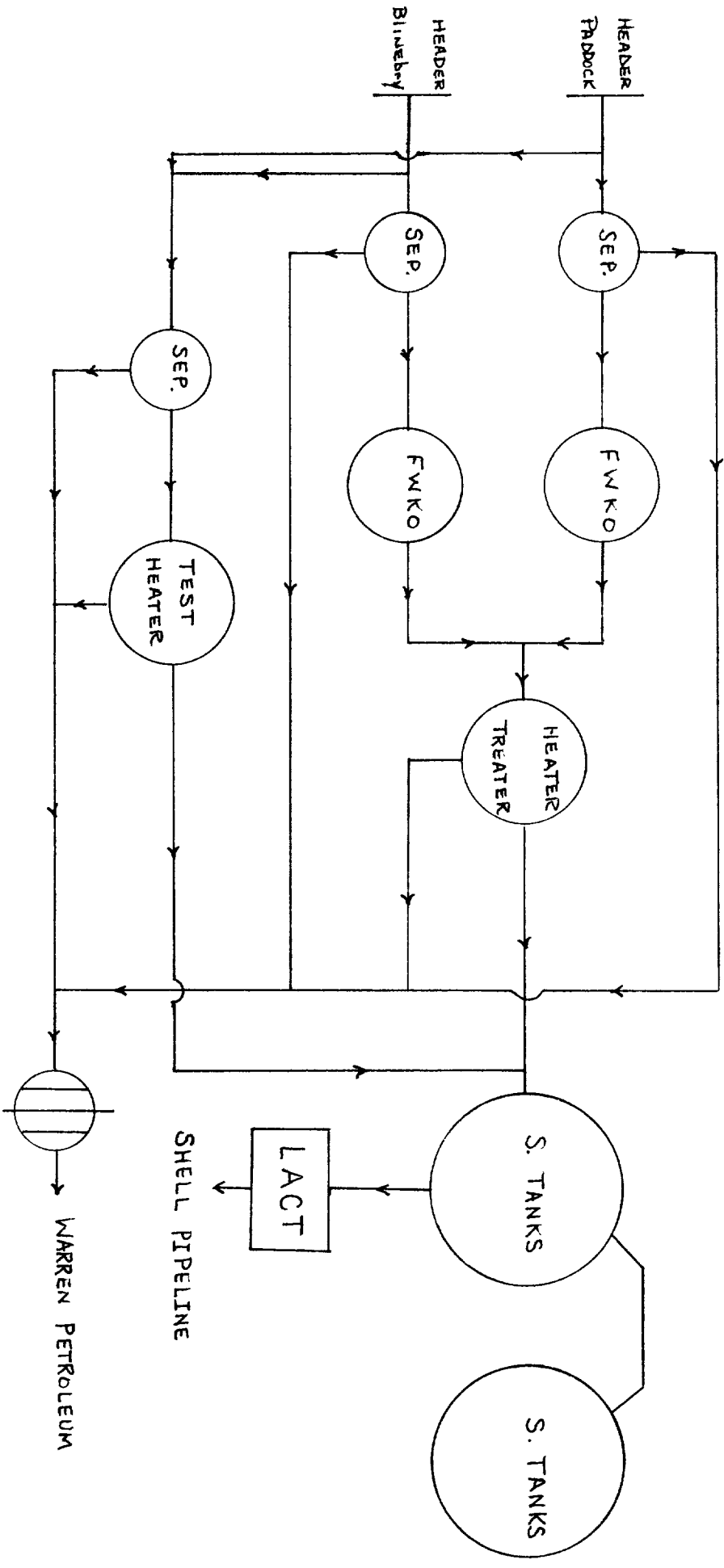
Bertha J Barber

E/2, E/2 Section 7
W/2, NW/4 & NW/4 SW/4 Section 8
T-20-S R-37-E
LEA County NEW MEXICO

Date: 10-20-87

R.D.

Scale: 1/4" = 165'



Arco Oil + Gas

Ertha J. Barber
 Estery
 (Proposed)

10-20-8
 R.D.

FIELD: Monument

<u>ZONE</u>	<u>WELL #</u>	<u>PROD. AUG.</u>	<u>PROD. SEPT.</u>	<u>DAILY AVG.</u>
Blinebry	8	275	300	9.4
	9	204	210	7.0
	10	520	570	17.9
	11	725	774	26.8
	14	192	60	4.1
Paddock	12	155	240	6.5
	13Y	146	120	4.4
	16	330	360	11.3
	18	0	0	0.0
	19	80	130	3.4
	20	60	95	2.4