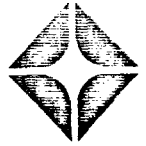


ARCO Oil & Gas Company  
District  
Post Office Box 1610  
Midland, Texas 79702  
Telephone 915 684 0149  
  
Jerry L. Tweed  
District Engineer



September 28, 1981

U. S. Department of Interior  
Geological Survey  
South Central Region  
P. O. Drawer 1857  
Roswell, New Mexico 88201

Attention: Mr. James A. Gilliam

Gentlemen:

RE: ARCO Duthie Andrews Federal #1  
660 FSL 1980 FEL Sec. 18, 23S, 37E  
Lea County, New Mexico  
Application for Surface Commingling

ARCO Oil & Gas Company requests approval for surface commingling of oil production from the recently completed Duthie Andrews Federal No. 1 with other Langlie Mattix oil production from ARCO's 280 acre Duthie Andrews WN lease.

The oil is from the same reservoir, and the price received will not be reduced because of commingling. Accurate measuring facilities will be installed to assure proper credit for oil sales. A diagrammatic sketch of the proposed surface facilities is attached to the enclosed Application to Commingle which is being filed with the New Mexico Department of Minerals and Energy. Oil from the Duthie Andrews Fed #1 will be measured through a one barrel positive displacement vessel with a recording counter. Each one barrel dump of the meter will be recorded on a mechanical counter and this will provide a record of the oil produced from the lease for purposes of allocating sales volumes to this well.

The purpose of surface commingling is to reduce the investment and operating cost of the production facilities for the subject well. This will permit ARCO to recover more reserves before the well reaches its economic limit. This, in turn, will result in more revenue to the lease, to be divided between the operator and royalty owner.

If additional information is required, please let me know.

Sincerely,

J. L. Tweed  
District Engineer

BLS:JLT:cn

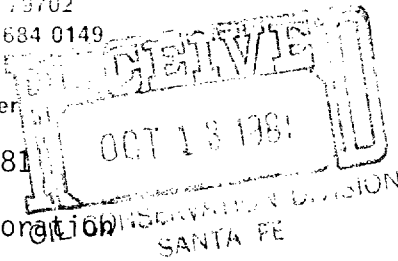
Attachments

ARCO Oil and Gas Company  
P.O. Box 1183  
Midland, Texas 79702  
Telephone 915 684 0149  
Jerry L. Tweed  
District Engineer



September 28, 1981

The Permian Corporation  
P. O. Box 1183  
Houston, Texas 77001



RECEIVED  
OCT 5 1981  
HOUSTON, TEXAS

Gentlemen:

RE: Lease Commingling Application  
Duthie Andrews Fed NMOCC Lease No. 032726  
Duthie Andrews WN NMOCC Lease No. 054453  
Lea County, New Mexico

Attached is a copy of our application to the New Mexico Oil Conservation Division to commingle oil production from the above leases. In order to expedite NMOCD approval we request from you, as a commingled production purchaser, a waiver to lease commingle the production.

Enclosed are two copies of this letter along with stamped, addressed envelopes. Please execute the waiver below and send one copy to the Oil Conservation Division and one copy to us. Thank you for your time in handling this matter.

Very truly yours,

J. L. Tweed

JLT:BLS:cn

Attachment

WAIVER APPROVED:

Signed \_\_\_\_\_ Date 10/8/81  
  
Company \_\_\_\_\_

Permit No. 1511  
 Permit No. E-100-100  
 Middle St. - Box 100  
 Telephone - 507-241-1111  
 Jersey - 100  
 District - 100

[illegible]

RE: Lease Commingling Application  
Duthie Andrews Fed - NMOCC Lease No. LC 032726  
Duthie Andrews WN - NMOCC Lease No. LC 054453

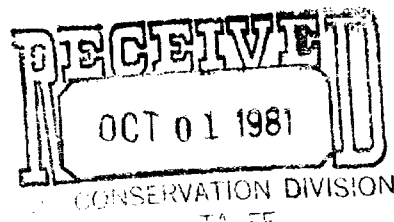
In support of our application for administrative approval to lease commingle we submit the following:

- a) Schematic diagram of the commingling facility.
- b) Plat of the above leases showing all wells located thereon and the formations in which they are completed.

In addition to the above, purchasers of the commingled oil production have been furnished a copy of this application by Certified Mail.

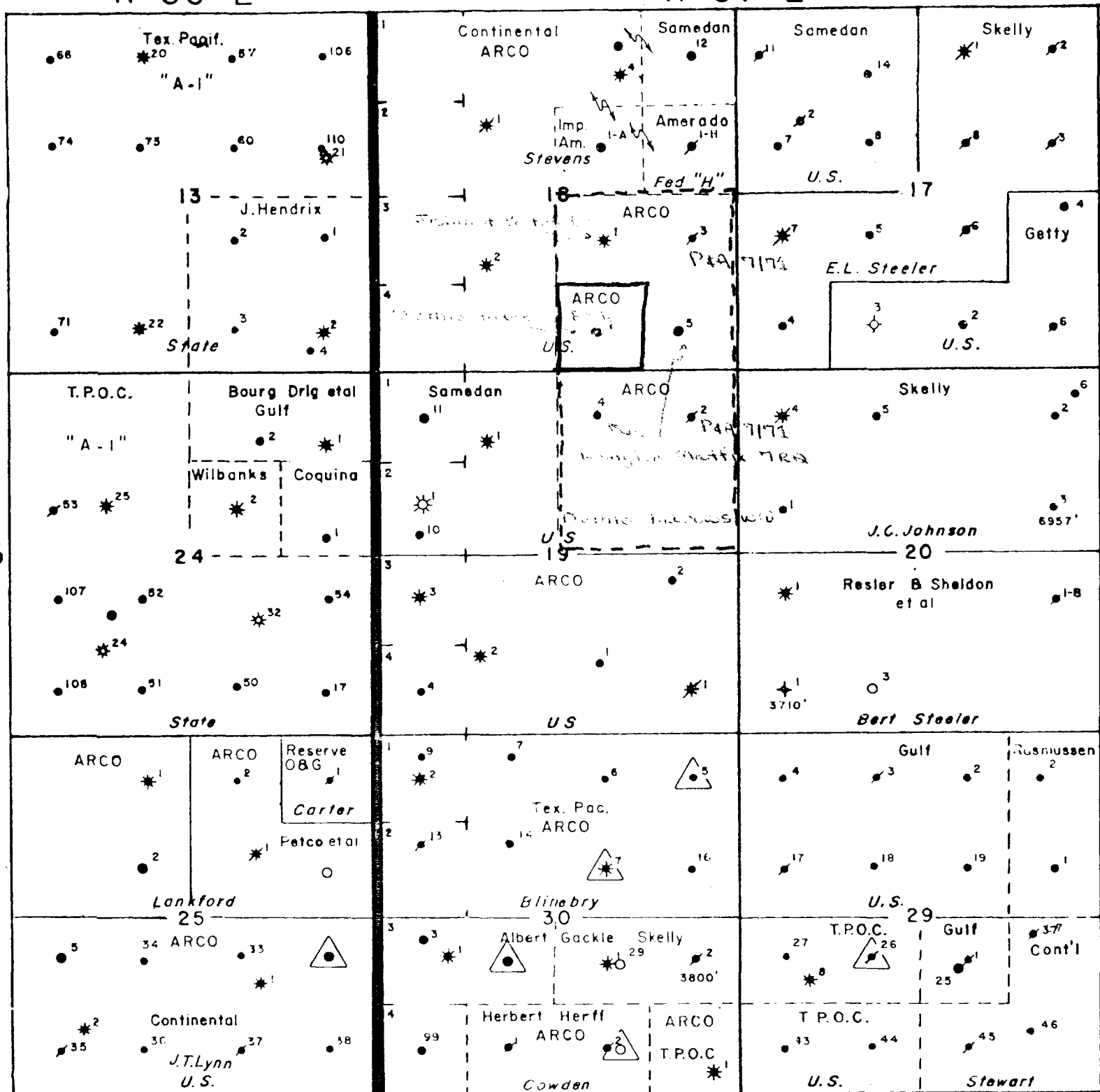
J. L. Tweed

Attachment



R 36 E

R 37 E



**RECEIVED**  
OCT 01 1981  
LAND DIVISION

ARCO Oil and Gas Company  
Permian District Midland, Texas

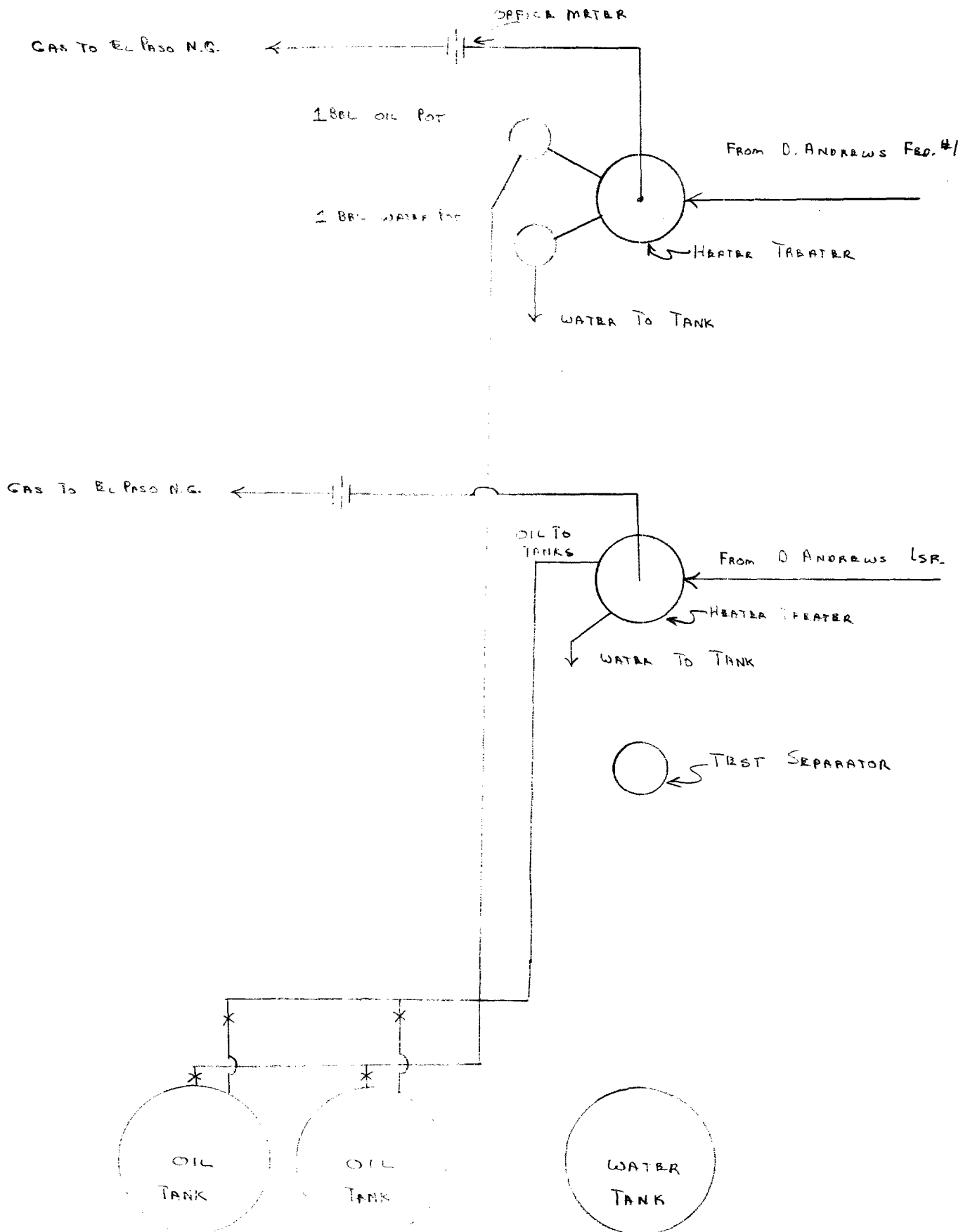
JALMAT GAS ZONE  
LEA COUNTY, NEW MEXICO

Duthie Andrews Lease ---  
Duthie Andrews Fed  
No. 1 lease

SCALE 1" = 2000'

By: D. MAY	Drawn By:	Date: 12-79
Date: 6-81	Revised By:	Date: 6-81
WEST AREA ENGR.		Doc No:

Subject	D. ANDREWS Fed. #1		Page No	Of
File	BATTERY SCHEMATIC		By	JVC
			Date	



ARCO Oil and Gas Company  
Permian District  
Post Office Box 1610  
Midland, Texas 79702  
Telephone 915 684 0149  
Jerry L. Tweed  
District Engineer



September 28, 1981

The Permian Corporation  
P. O. Box 1183  
Houston, Texas 77001

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Duthie Andrews WN NMOCC Lease No. 054453  
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J. L. Tweed

JLT:BLS:cn

Attachment

WAIVER APPROVED:

Signed \_\_\_\_\_ Date \_\_\_\_\_

Company \_\_\_\_\_

Oil Purchaser -

The Permian Corporation  
P. O. Box 1183  
Houston, Texas 77001