

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 21, 1969

Well File

Sun Oil Company - DX Division
P. O. Box 1416
Roswell, New Mexico 88201

EFFECTIVE 4-1-70
SUN OIL COMPANY-DX DIVISION
NAME CHANGED TO
SUN OIL COMPANY

Attention: Mr. F. D. Lebo

P. O. BOX 2880
DALLAS, TEXAS 75201

Re: Exception to Statewide Rule 403
Antelope Sink Unit Well No. 1 -
Kewanee State Well No. 1 - Eddy
County, New Mexico

Gentlemen:

Reference is made to your letter dated November 27, 1968, wherein you request authority to commingle natural gas produced from your Antelope Sink Unit Well No. 1, located in Unit G of Section 18, Township 19 South, Range 24 East, and your Kewanee State Well No. 1, located in Unit D of Section 2, Township ~~19~~²³ South, Range ~~24~~²³ East, Eddy County, New Mexico, after separately dehydrating and metering the production from each well. It is our understanding that the Cass Ranch-Morrow production from the Kewanee State No. 1 and the Antelope Sink-Upper Pennsylvanian production from the Antelope Sink No. 1 are both very dry insofar as the liquid hydrocarbons are concerned, and that you therefore will make no attempt to extract liquid hydrocarbons from either well prior to sale. Further, that after separately metering the production from each well you will commingle said production and pass it through a sales meter into the pipeline.

The above-described commingling of production from the subject two wells is hereby approved, provided that Sun Oil Company - DX Division shall allocate production to each of the wells on the basis of its proportionate share of the total gas sold to the pipeline as determined by the individual well

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meters, and provided further, that in the event the liquid hydrocarbon production from either well should increase substantially, the Commission reserves the right to require separate measurement of said liquid hydrocarbons.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Santa Fe
State Land Office - Santa Fe