GILBERT. WHITE AND GILBERT ATTORNEYS AT LAW SANTA FE, NEW MEXICO

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BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SUNRAY MID-CONTINENT OIL COMPANY FOR AN ORDER AUTHORIZING AN AUTOMATIC CUSTODY TRANSFER SYSTEM AND FOR PERMISSION TO PRODUCE MORE THAN 16 WELLS IN A COMMON TANK BATTERY IN THE CENTRAL BISTI UNIT, BISTI FIELD, SAN JUAN COUNTY, NEW MEXICO.

CASE No. 18/1

APPLICATION

TO: THE HONORABLE OIL CONSERVATION COMMISSION

Comes now Sunray Mid-Continent Oil Company and respectfully alleges and states as follows:

1. That it is the unit operator of the Central Bisti Unit within the defined limits of the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, comprising the following acreage:

TOWNSHIP 25 NORTH, RANGE 12 WEST, SW/4. Section 3: Sections 4 and 5: All Section 6: All Sections 7,8, and 9:All Section 10: NW/4, W/2 SW/4**W**/2 NW/4 Section 15: Section 16: All Section 17: N/2, SE/4, N/2 SW/4, and SE/4 SW/4 NE/4, N/2 NW/4, and N/2 SE/4 NE/4 and NE/4 NW/4 Section 18: Section 20: N/2, N/2 SE/4, and NE/4 SW/4 Section 21: TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM S/2, and S/2 N/2 (\ 5/2 SW/) Section 31: Section 32: S/2 SW/4 Section 33:

- 2. That in the development of the above described Unit 52 producing wells have been drilled and are presently producing oil from the Lower Gallup formation; that all of said wells now completed and those that may be hereafter completed in said Unit can be efficiently produced into a common tank battery.
 - 3. That Applicant proposes to install a lease automatic custody

transfer system for the production from the Lower-Gallup Oil Pool wells on said Unit which will result in the more effective and efficient handling of the oil produced therefrom.

WHEREFORE, Applicant prays that this matter be set for hearing before an Examiner; that notice be given as required by law and that upon the evidence adduced Applicant be granted the relief sought herein.

SUNRAY MID-CONTINENT OIL COMPANY
BY WILLIAM R. LOAR

and

BY GILBERT, WHITE AND GILBERT

Applicant's Attorneys, P. O. Box 787

Santa Fe, New Mexico