

P.O. BOX 128, HOBBS, NEW MEXICO



-118

December 13, 1962

New Mexico Oil Conservation Commission (3)
107 Labry Hall, Capitol Building
P. O. Box 871
Santa Fe, New Mexico

Re: Commingling of Milnesand Penn Pool
and Milnesand San Andres Pool Production
N. M. Federal "F" Lease, N/2 Section 13
and E/2 Section 24-T8S-R34E, Roosevelt
County, New Mexico

Gentlemen:

Sunray DX Oil Company, operator of the subject lease, hereby makes application for administrative approval to commingle production, after separate measurement, from the Milnesand Penn Pool and the Milnesand San Andres Pool from our N. M. Federal "F" lease, N/2 Section 13 and E/2 Section 24-T8S-R34E, Roosevelt County, New Mexico.

The following data relative to the Milnesand Penn and Milnesand San Andres production are submitted as required for your use in evaluating this application:

1. Milnesand Penn Pool oil gravity	47.7° API
Milnesand San Andres Pool oil gravity	30.7° API
Value Penn Oil	\$2.95/bbl
Value San Andres Oil	\$2.65/bbl
Combined gravity of oil	32.2° API
Combined value of oil	\$2.71/bbl
Volume Penn oil	51 BOPD
Volume San Andres oil	518 BOPD

- The actual commercial value of the commingled production will not be less than the sum of the values of the production from each common source of supply.
- Schematic flow diagram of proposed installation is attached.
- Plat showing location of all wells and producing zones on Sunray DX N. M. Federal "F" lease is attached.
- A photostat copy of USGS approval letter is attached.

21/13/62

Page No. 2 - N. M. Federal "F" Lease

6. Texaco, Inc., the only other company Working Interest in the subject lease, has been furnished a copy of this application by registered mail.

Yours very truly,

SUNRAY OIL COMPANY



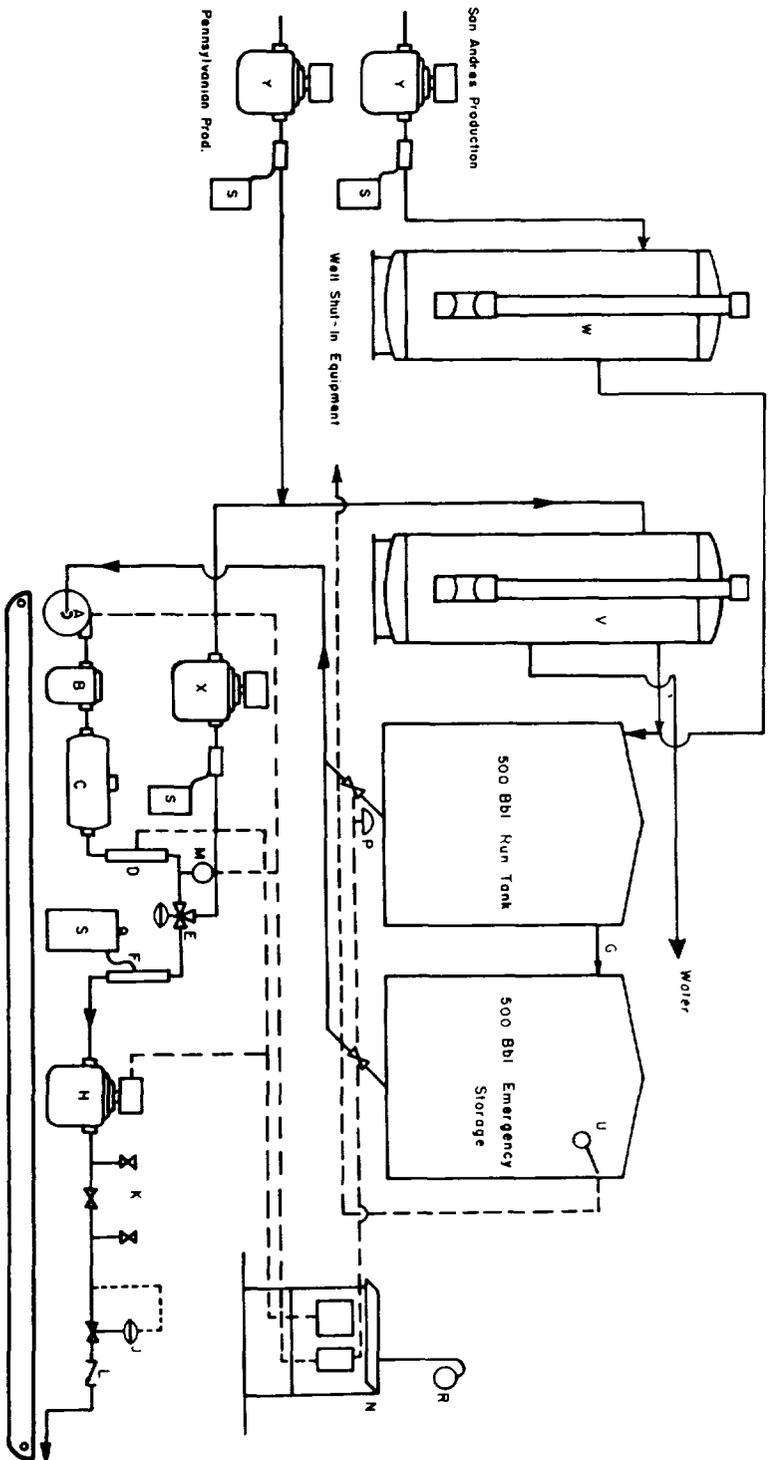
C. T. McClanahan
District Manager

HAR:db

Attachments

cc: United States Department of Interior, Geological Survey
Drawer 1857, Roswell, New Mexico
Attention: Mr. John A. Anderson w/attachments

Texaco, Inc. w/attachments
P. O. Box 728
Hobbs, New Mexico

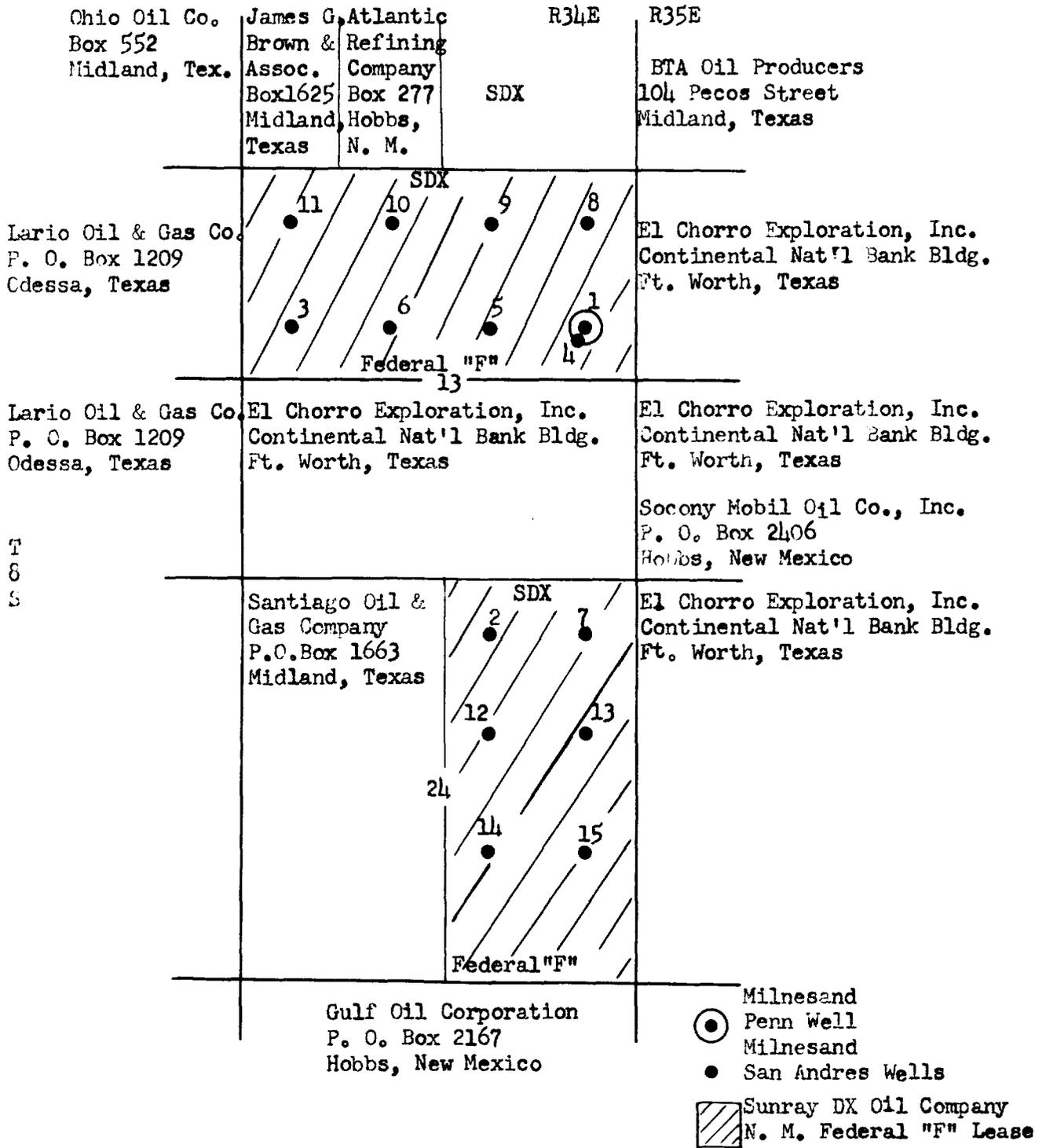


- A - Pump - Sized for Max. Daily Production
- B - Strainer (Combination)
- C - Heater (Combination)
- D - IS&M Capacitance Probe
- E - 3-way Diverting Valve
- F - Sampler
- G - Equalizing Line
- H - Meter w/Temp. Compensator and Non-Reset Counter
- J - Back Press. Valve
- K - Prover By-Pass Loop
- L - Check Valve
- M - Pressure Switch
- N - Skid Mounted Control Rack w/IS&M Monitor, Motor Starter, Transformer
- P - Level Control Pressure Type
- R - MultiFunction Signal Light
- S - Sample Container
- D - High Level Shut In
- V - Pennsylvanian Treater
- W - San Andrus Treater
- X - Divert Limb Meter
- Y - Counting Meter

SUNRAY OIL COMPANY

Lease flow diagram
P D Meter Type LACT
Booneville County, New Mexico
New Mexico Federal "Pr" Lease

PLAT SHOWING LOCATION OF WELLS AND PRODUCING ZONES
SUNRAY DX OIL COMPANY N. M. FEDERAL "F" LEASE
N/2 SECTION 13 AND E/2 SECTION 24-T8S-R34E
ROOSEVELT COUNTY, NEW MEXICO



Sunray DX Oil Company
 N. M. Federal "F" Lease
 Scale 1" = 1000'
 December 12, 1962



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

Sunray DX Oil Company
P. O. Box 128
Hobbs, New Mexico

Attention: Mr. C. T. McClanahan

Gentlemen:

Your letter of November 20, 1962, requests our approval to install an automatic custody transfer unit and to commingle the oil produced from the Pennsylvanian and San Andres Pools in Sections 13 and 24, T. 8 S., R. 34 E., Roosevelt County, New Mexico, on Federal lease Las Cruces 062178.

The automatic custody transfer system and the method of metering the oil production as described by the diagrams attached to your letter, are hereby approved.

All master meter proving tests should be scheduled so that a Survey engineer of our Hobbs office may be notified in sufficient time to witness the calibration. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Very truly yours,

William H. Feldman

for JOHN A. ANDERSON
Regional Oil and Gas Supervisor

FILE CODE:			
		INIT	INIT
✓	DM	<i>CTM</i>	ENGR
	DF		
✓	DE	<i>18</i>	
<i>18</i>	FS		
	PS		Pending
	OM		File ✓
DESTRUCTION DATE:			

Harry