



NORTH AMERICAN EXPLORATION AND PRODUCTION GROUP
Midland Production District

SUN OIL COMPANY

901 W. WALL, POST OFFICE BOX 1861, MIDLAND, TEXAS 79701 (915) 682-8271

February 4, 1974

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



Attn: Secretary-Director

RE: SURFACE COMMINGLING

Gentlemen:

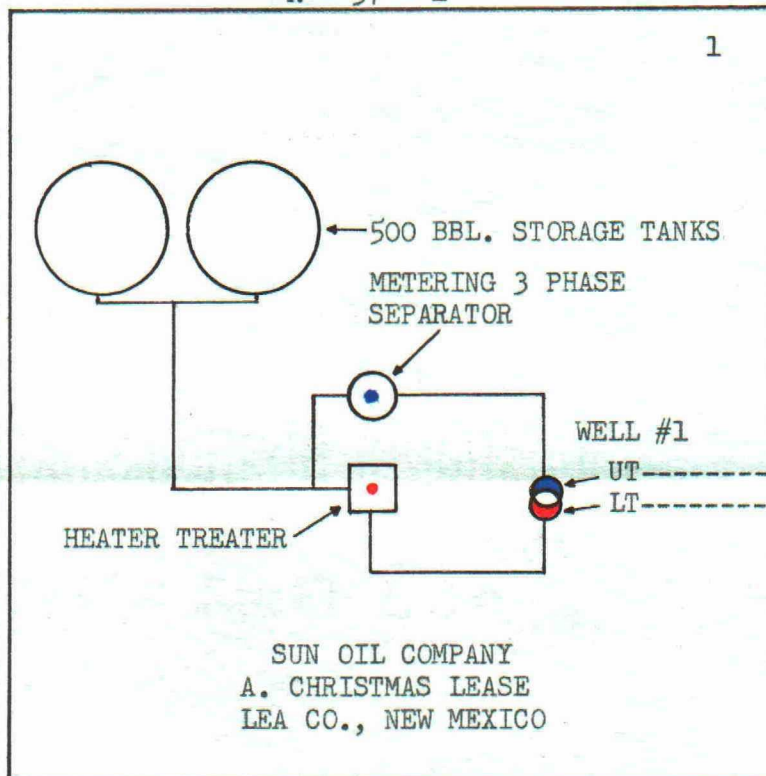
Sun Oil Company respectfully requests an exception to Rule 303-A, permitting administrative approval, without notice and hearing, to commingle in common facilities production from our Annie Christmas well #1-UT & #1-LT.

R - 37 - E

1

Schematic diagram illustrating measurement prior to commingling

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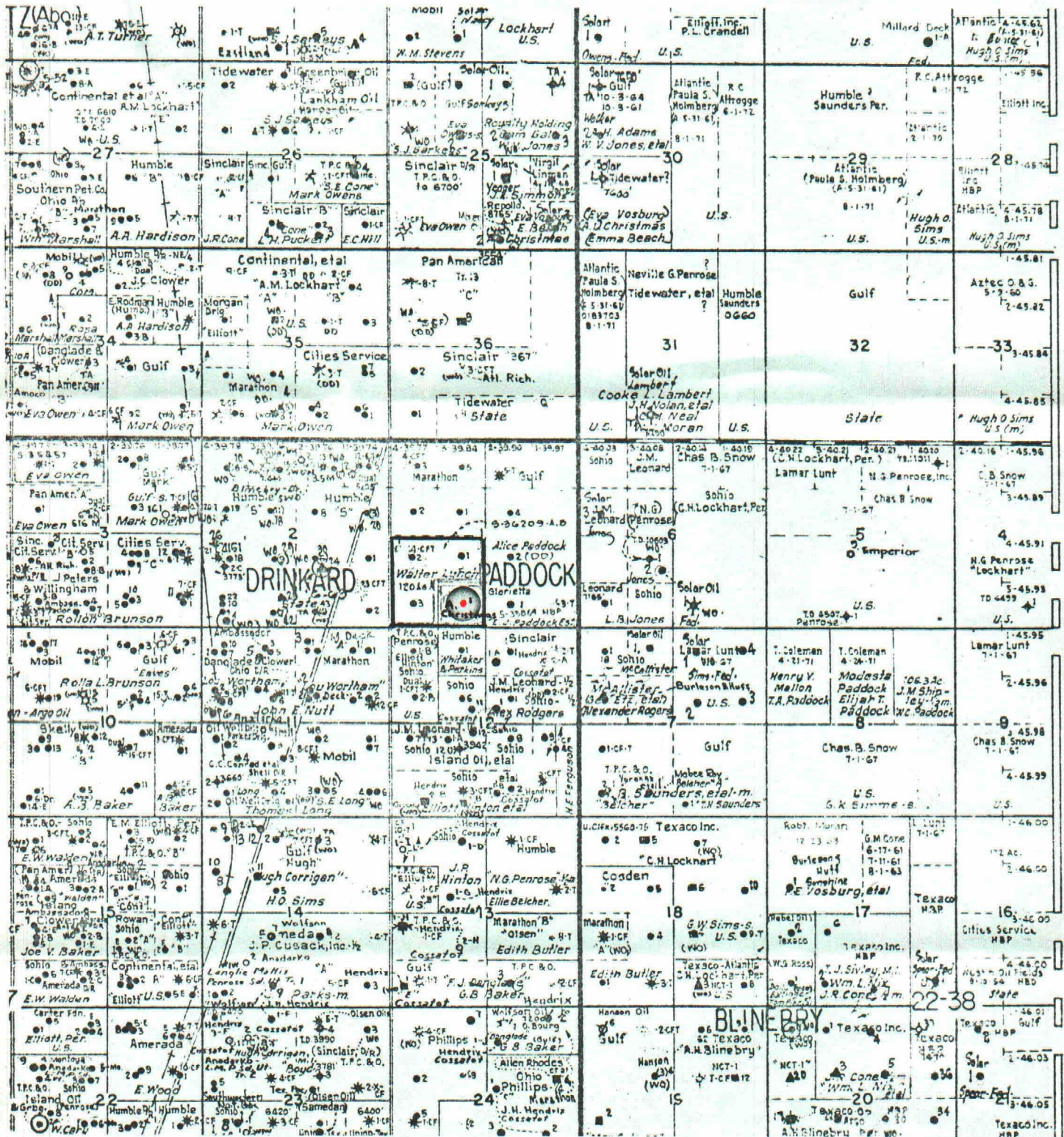


Well #1-UT is currently producing 36 BOPD at an average gravity of 52 @ 60°. Well #1-LT is currently producing 101 BOPD at an average gravity of 42 @ 60°. Both of the crudes are classified as WTI (Sweet) with commingled gravity averaging approximately 47° @ November's 1973 base price posting of \$2.00 above \$4.31, for 40° subject to monthly adjustments. Production from both pools has been sold on a temporary commingled basis.

SUN OIL CO. By: Charles Gray
Charles Gray - Proration Clerk

R37E

R38E



ANNIE CHRISTMAS LEASE

RE: DRINKARD OIL
WANTZ GRANITE WASH

LEA COUNTY NEW MEXICO

Scale: 1" = 4000'