

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
PERMITTING THE COMMINGLING OF THE OIL
PRODUCED FROM THE BLINEBRY OIL POOL AND
THE DRINKARD OIL POOL, LEA COUNTY, NEW
MEXICO, UNDERLYING ITS STATE LAND "15"
LEASE.

CASE NO. 1558

MAIN OFFICE CCC
OCT 23 PM 4:44

A P P L I C A T I O N

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

COMES NOW the Applicant, Sunray Mid-Continent Oil Company, and respectfully alleges and states as follows:

1. That it is the owner and operator of its State Land "15" Lease covering the South Half of the South Half (S/2 S/2) of Section 16, Township 21 South, Range 37 East, Lea County, New Mexico.

2. That this Commission by its Order No. R-1223 dated July 21, 1958, authorized a dual completion for Sunray Mid-Continent Oil Company's State Land "15" Well No. 3 through parallel strings of tubing between the Blinebry Oil Pool and the Drinkard Oil Pool.

3. That Applicant's Wells Nos. 1, 2 and 4 are producing oil from the Drinkard Oil Pool, and Well No. 3 is producing oil from the Drinkard Oil Pool and oil from the Blinebry Oil Pool through separate strings of tubing; and that Applicant desires to commingle the oil produced from the Blinebry Pool, found at an approximate depth of 5500 feet, with the oil produced from the Drinkard Pool found at an approximate depth of 6350 feet, underlying its State Land "15" Lease.

4. That Applicant desires to meter the oil produced from the Blinebry Pool prior to its being commingled with the oil produced from the Drinkard Pool and to subtract the volume of oil so metered from the total oil produced from its State Land "15" Lease to obtain the volume of oil produced from the Drinkard Pool.

5. That the names of all interested parties known to applicant with their last known addresses are:

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma
Attn: Mr. R. S. Christie

Continental Oil Company
P. O. Box 427
Hobbs, New Mexico
Attn: Mr. F. T. Elliott

Tidewater Oil Company
P. O. Box 1404
Houston, Texas
Attn: Mr. J. B. Holloway

Sinclair Oil and Gas Company
P. O. Box 521
Tulsa, Oklahoma
Attn: Mr. J. H. McGowan

N. B. Hunt
Mercantile Bank Building
Dallas, Texas

Shell Oil Company
P. O. Box 1509
Midland, Texas
Attn: Mr. Ed Nester

6. That attached hereto, marked Exhibit "A", and made a part hereof by this reference, is a plat which shows the location of all Drinkard and Blinebry wells on Applicant's lease and on all offset leases.

7. That attached hereto, marked Exhibit "B", and made a part hereof by this reference, is a diagrammatic sketch which shows the proposed method of measurement and storage of the oil produced on Applicant's lease.

WHEREFORE Applicant prays that this application be set for hearing, that notice be given as required by law, and that upon the evidence adduced at this hearing the Commission issue an order permitting Applicant to commingle the oil produced from the Blinebry Pool with the oil produced from the Drinkard Pool underlying its State Land "15" Lease, Lea County, New Mexico, as more fully set out in this application.

Dated this 28th day of October, 1958.

SUNRAY MID-CONTINENT OIL COMPANY

By L. C. White
L. C. White, Attorney

Booked
mailed - C-1558
11/26/58/42