SUNBAY MID-CONDINENT OUL COMPANY

P. O. BOX 128 HOBBS, NEW MEXICO

January 19, 1961

New Mexice Oil Conservation Commission 107 Mabry Hall, Capitol Building Santa Fe, New Mexico And DC (Warring)

Application is hereby made for Administrative Approval to commingle production after separate measurement from the undesignated Yates Pool and the N. Shugart Queen Grayburg Pool from Sunray Mid-Continent N. M. State "Y" lease, Section 32-T18S-R31E, Eddy County, New Mexico.

l.	Undesignated Yates Pool oil gravity	36.80 API
	N. Shugart Queen-Grayburg Pool oil gravity	32.7° API
	Value Yates oil	\$2.83/bbl
	Value Queen Grayburg oil	\$2.71/bbl
	Combined gravity of oil	34.70 API
	Combined value of oil	\$2.77/bbl
	Volume Yates oil	35 BOPD per well
	Volume Queen Grayburg oil	35 BOPD per well

- 2. 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.
- 3. Schematic flow diagram of proposed installation is attached.
- 4. Plat showing location of all wells and producing zones on Sunray Mid-Continent State "Y" lease is attached.
- 5. The State Land Office which represents the only other interest in subject acreage has been sent a copy of this application by registered mail.

SUNRAY MID-CONTINENT OIL COMPANY

R. E. Statton District Engineer

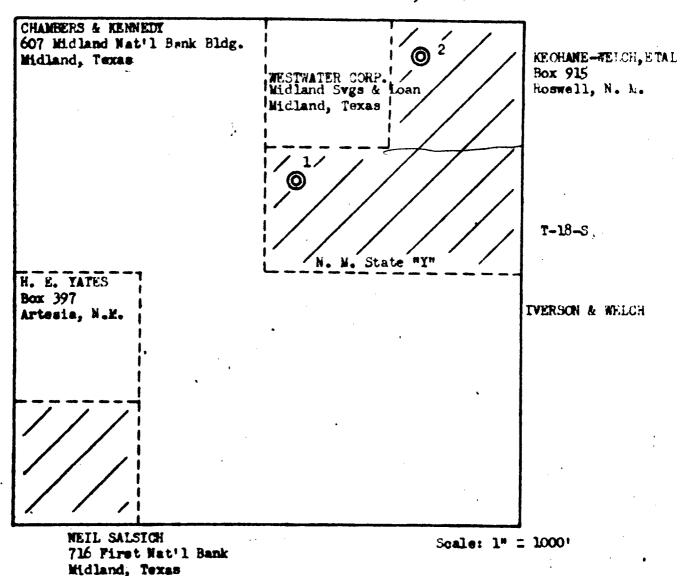
CB: db
Attachments
cc: SMC - Midland
W. R. Loar
NMOCC - 3
State Land Office
File



PLAT SHOWING LOCATION OF WELLS AND PRODUCING ZONES ON SURRAY MID-CONTINENT STATE "Y" LEASE SECTION 32, T18S, R3LE, EDDY COUNTY, NEW MEXICO

R-31E

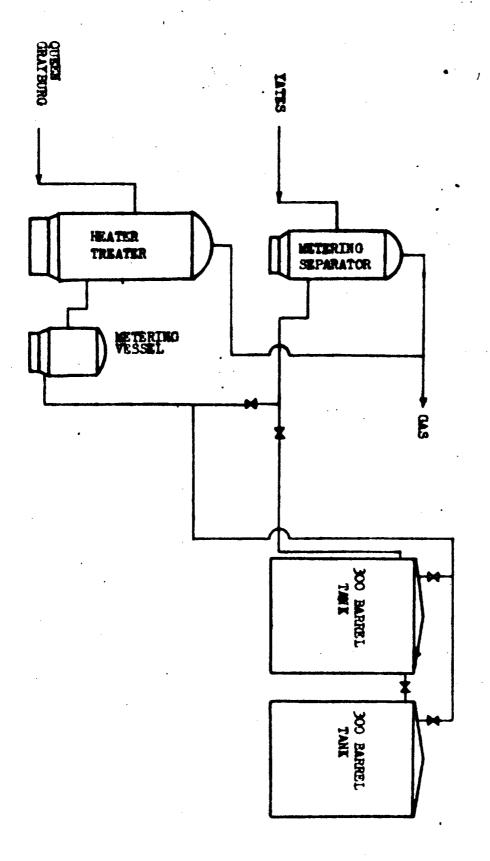
IVERSON & WELCH 100 Booker Bldg. Artesia, N. M.



Pan Am Federal

- Proposed wells to be dually completed in Yates undesignated Pool & N. Shugart Queen Grybg Pool

 Sunray Mid-Continent Oil Co.
- Sunray Mid-Continent Oil Co.
 N. M. State "Y" Lease



SCHEMATIC FLOW DIAGRAM OF PROPOSED INSTALLATION FOR COMMINGLING OF REDPROCARBON FROM UNDESIGNATED TATES FOOL & M. SHUGART QUEEN ORATEURG FOOL ON SUBBRAY MID-CONTINENT STATE "Y" LEASE SECTION 32, 1284, R31E, Eddy County, New Mexico