

SUNRAY MID-CONTINENT OIL COMPANY

Farmington, New Mexico

4: November 9, 1960

Re: Central Tank Batteries

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attn: Mr. A. L. Porter, Jr.

Gentlemen:

Sunray Mid-Continent Oil Company seeks administrative approval of authority to co-mingle production from two contiguous leases producing oil from the same common source of supply. The two leases are described below:

1. Sunray Mid-Continent Oil Company's New Mexico Federal "P" Lease, SE/4 of the NE/4 of Section 30, T-30-N, R-15-W, San Juan County, New Mexico.
2. Sunray Mid-Continent Oil Company's New Mexico Federal "L" Lease, Section 29, portion of the S/2 of Section 30, all of the E/2 of Section 31, and portions of the S/2 of Section 31, all in T-30-N, R-15-W, San Juan County, New Mexico.

Attached to this application is a plat showing the subject leases and the existing wells.

All offset operators to the two leases were furnished copies of this application on November 4, 1960, and have been requested to file waivers of objection to this application.

The overriding royalty interest owners have signed waivers of objection to the above application. Copies of these waivers are attached.

In addition the U.S.G.S., as royalty owner of the Federal leases, has been requested to furnish your office with written consent to co-mingle oil from the two properties.

Handwritten:
CTB-63
(waiver period)



All provisions of Rule 309, Central Tank Batteries, will be followed by Sunray Mid-Continent Oil Company in operation of the New Mexico Federal "P" and New Mexico Federal "L" Leases:

1. The ownership of the two leases is common throughout.
2. The leases are contiguous.
3. All production is from the same common source of supply.
4. No more than 16 units will be produced into a common tank battery.
5. Adequate facilities will be provided for accurately determining production from each well at reasonable intervals.

This application is submitted as prescribed in Rule 309, Central Tank Batteries, as amended by Order No. R-645, June 13, 1955, and Order No. R-1172, May 5, 1958.

Yours truly,

SUNRAY MID-CONTINENT OIL COMPANY



E. H. Ramsey
District Production Manager

c.c. Mr. Arnold

EH:sf

The undersigned own an overriding royalty interest of the minerals under Sunray Mid-Continent Oil Company's New Mexico Federal "P" Lease, located in the SE/4 of the NE/4 of Section 30, T-30-N, R-15-W, San Juan County, New Mexico.

We have no objection to the co-mingling of oil production under Sunray Mid-Continent Oil Company's New Mexico Federal "L" Lease and the New Mexico Federal "P" Lease, contiguous leases located in Sections 29, 30 and 31, T-30-N, R-15-W, San Juan County, New Mexico.

As operator of the two properties, Sunray Mid-Continent will follow all the provisions of Statewide Rule 309, Central Tank Batteries, (as amended by Order No. R-645, June 13, 1955; and Order No. R-1172, May 5, 1958).

WITNESSED:

James Q. Marshall

Date: 11-7-60

James Q. Marshall
James Q. Marshall

Virginia C. Marshall
Virginia C. Marshall

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WITNESSED:

Jewey Gibson

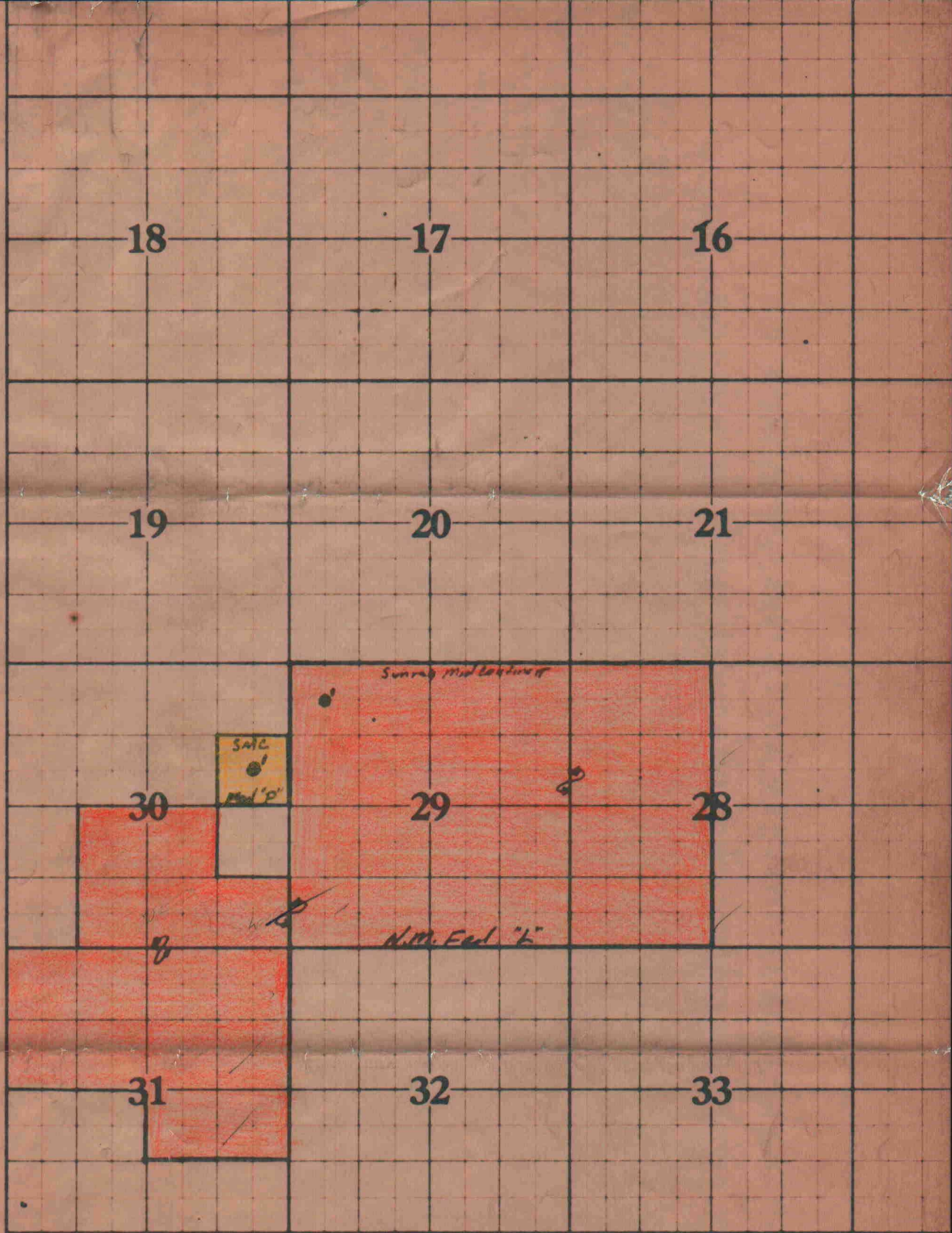
Date: 11-7-60

Eugene H. Pipkin

Eugene H. Pipkin

Pearl O. Pipkin

Pearl O. Pipkin



Plot Showing Surrey MidContinent
N.M. Federal "L" and N.M. Federal "P"
Leases. T-30-N R-15-W San Juan
County, New Mexico.