

Description: W/2 NE/4, NW/4 SE/4, NE/4 SW/4, Sec. 17,
T-21-S, R-37-E, NMPM, Lea County, N.M.

**Sun Production
Operations Division**
Southwestern District



**Sun Exploration and
Production Company**
No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702 9970
915 688 0300

June 12, 1987

Mr. David Catanach
Energy & Mineral Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

RE: Exception to Statewide Rule 3034
Surface Commingling
W. W. Weatherly Lease
Lea County, New Mexico

Dear Mr. Catanach,

Sun Exploration and Production Company requests administrative approval to surface commingle production from the Penrose Skelly (Grayburg), Drinkard and Tubb pools on the W.W. Weatherly lease as referenced below. Allocation of oil, gas and water produced from each well will be determined by monthly well tests. Current production from each well on the lease and the corresponding reservoir pool is listed below.

<u>Well No.</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>	<u>Reservoir Pool</u>
2U	2	1	56	Penrose Skelly (Grayburg)
2L	TA'd	----	---	Drinkard
3	17	2	235	Tubb
4	4	2	160	Drinkard
5	4	1	139	Penrose Skelly (Grayburg)
6	5	130	64	Penrose Skelly (Grayburg)

Sun received permission to commingle production from the Drinkard and Penrose Skelly (Grayburg) per Second Amendment Commingling Order PC-356 on August 15, 1985. Current gravity of this commingled production is 33.9° API gravity at 60°F.

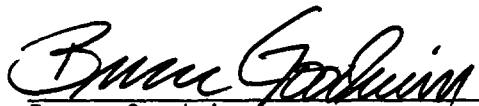
In early June, 1987, Sun completed the No. 3 well of the subject lease in the Tubb formation thru perforations at 6266-6436'. Early testing indicates a 24-hr flowing rate of 17 BO, 2 BLAW and 235 MCF. Gravity of the Tubb oil production is measured at 26° API gravity at 60°F.

Expected gravity of the combined Tubb, Drinkard and Grayburg production at current production rates is estimated at 29.7°. However, commingling of these fluids will not result in a loss of value of the combined production stream as compared to the sum of the values of each individual stream.

W.W. Weatherly Lease Surface Commingling
June 12, 1987
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A schematic diagram of the subject lease's production battery and lease plat showing location of the wells are attached. If there are any questions, please contact me at (915) 688-0419.

Sincerely,

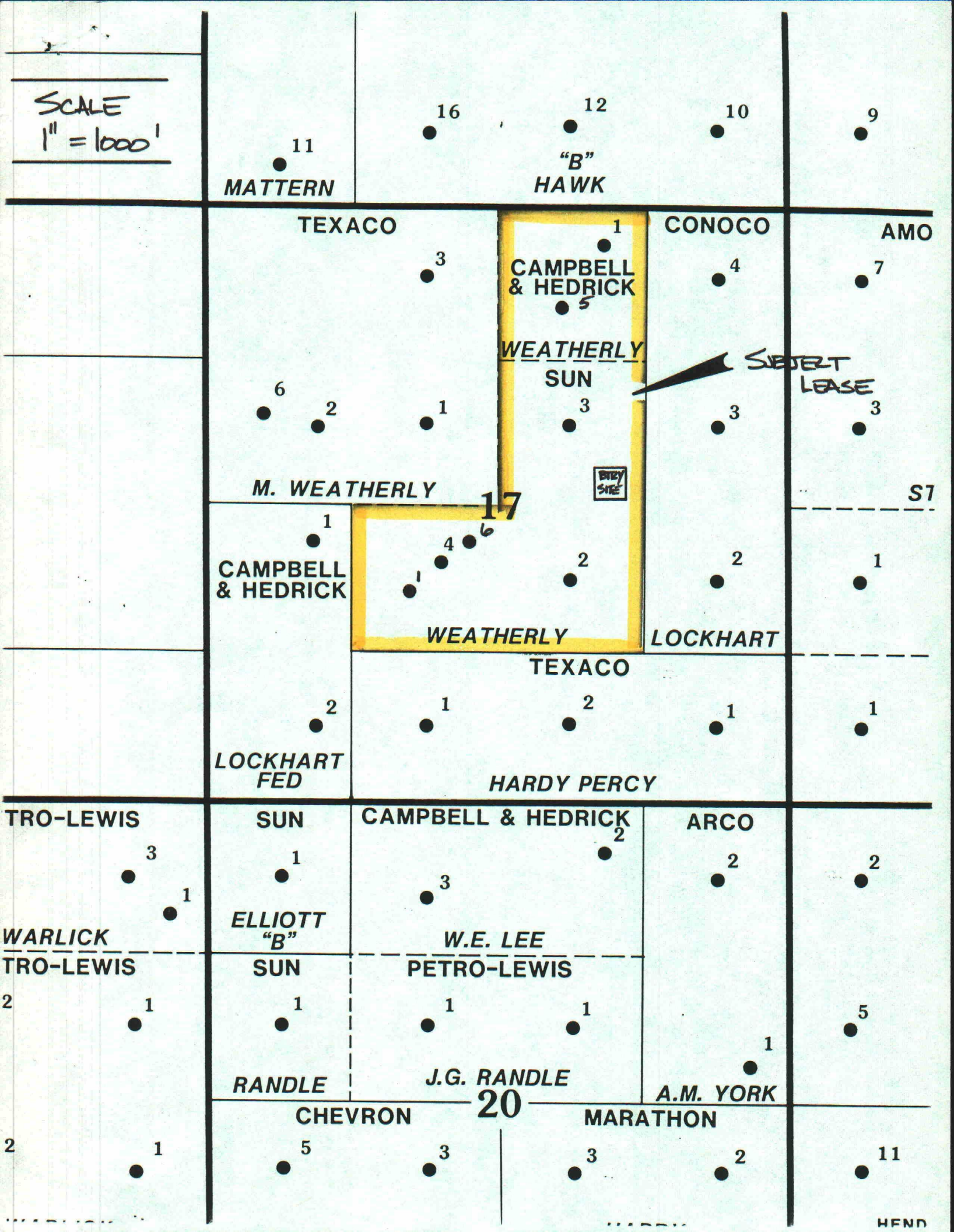
A handwritten signature in cursive script, reading "Bruce Goodwin". The signature is written in dark ink and is positioned above the printed name and title.

Bruce Goodwin
Production Engineer

BKG/jr

Attachments

SCALE
1" = 1000'



W.W. WEATHERLY
PRODUCTION BATTERY
 SEC. 17, T-21-S, R-37-E
 LEA COUNTY, NEW MEXICO

