



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director

Oil Conservation Division

COMMINGLING ORDER CTB-544

ChevronTexaco
15 Smith Road
Midland, Texas 79705

RECEIVED

MAY 03 2004

OCD-ARTESIA

Attention: Carolyn Haynie

The above named company is hereby authorized to surface commingle Fren-Paddock Pool (26770) oil and gas production from the following wells located in Section 22, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

Skelly Unit Well No. 940 API No. 30-015-32599 Located in Unit A
~~Skelly Unit Well No. 944 API No. 30-015-32963 Located in Unit A.~~

Skelly Unit Well No. 941 API No. 30-015-32600 Located in Unit C
Skelly Unit Well No. 945 API No. 30-015-32964 Located in Unit C

Oil and gas production from each well or grouping of wells with identical ownership shall be continuously metered separately from other wells or groups of wells with identical ownership prior to all production being commingled and sold. Well tests may be used for allocating production between wells within each identically owned group of wells.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on this 28th day of April 2004.


JOANNA PRUKOP,
Cabinet Secretary
Acting Division Director

JP/wvj

cc: Oil Conservation Division – Artesia
Bureau of Land Management-Carlsbad