

NEW MEXICO OIL CONSERVATION COMMISSION  
POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PC-450

Company Skelly Oil Company  
Address P. O. Box 1351  
City, State, Zip Midland, Texas 79701

Attention: Mr. C. J. Love

Lease Name: Skelly Unit Area, Township 17 South, Range 31 East, Eddy Cty  
Description: All of Sections 14, 15, 21, 22 & 23; N/2 & N/2 S/2 Sec. 28;  
NW/4, W/2 NE/4, & NE/4 NE/4 Sec. 27; N/2 NW/4 Section 26.

The above-named company is hereby authorized to commingle production  
from the following pools

Fren-Seven Rivers and Grayburg-Jackson

in a common tank battery, and to determine the production from each  
pool by

\_\_\_\_\_ separately metering the production from each pool prior to  
commingling

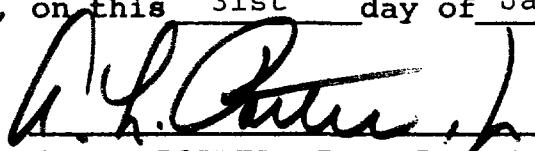
\_\_\_\_\_ separately metering the production from  
  
and determining the  
production by the subtraction method

X well tests (if this method is to be authorized, all commingled  
production must be of marginal nature; further, the operator  
shall notify the Santa Fe Office of the Commission in the event  
any well producing into the commingled battery becomes capable  
of top allowable production, at which time the Commission will  
amend this order or take such other action as may be appropriate)

Note: This installation shall be installed and operated in accordance  
with the applicable provisions of Rule 303 of the Commission  
Rules and Regulations and the Commission "Manual for the Installation  
and Operation of Commingling Facilities." It is the responsibility of  
the producer to notify the transporter of this commingling authority.

REMARKS:

DONE at Santa Fe, New Mexico, on this 31st day of January 1973.

  
A. L. PORTER, Jr., Secretary-Director