

SKELTON OIL COMPANY

P. O. Box 840 • (505) 393-6621

HOBBS, NEW MEXICO 88240

June 18, 1980

New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Commingling Z. Taylor Lease

Gentlemen:

We would like permission to commingle the crude oil produced from three (3) separate zones on the same lease.

The zones are: Mississippi - with 44.0 gravity oil

Wolfcamp - with 43.0 gravity oil

Devonian - with 46.0 gravity oil

The price per barrel of oil from each zone is the same, presently \$39.50. The price of commingled oil is \$39.50 at an estimated gravity of 45.0.

The volume produced from each zone per day is as follows:

Mississippi - 70 Bbls per day

Wolfcamp - 10 Bbls per day

Devonian - 5 Bbls per day

Attached is a Plat showing all well locations and zones produced from.

Thank you for your time and cooperation in this matter.

Yours truly,
SKELTON OIL COMPANY

Nora Owens
Nora Owens

enclosure



SKELTON OIL COMPANY

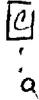
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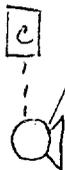
1 B
WOLF CAMP

3 A

DEVONIAN



2 G
MISSISSIPPI



4 H
DEVONIAN
PLUGGED &
ABANDONED

RECEIVED

JUN 13 1980

TAYLOR LEASE
SEC 9, T12, R3E
SANTA FE
LEA COUNTY, N.M.P.M.