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

COMMINGLING ORDER PC-617

Anadarko Production Co. P. O. Box 806 Eunice, New Mexico 88231

Attention: Mr. John C. English, Area Supervisor

Lease Name: Hugh

Description: NW/4 Sec. 14, T-22-S, R-37-E, NMPM,

Lea County, New Mexico

The above-named company is hereby authorized to commingle Penrose-Skelly Grayburg and South Eunice San Andres pool production in a common tank battery and to determine the production from each pool by 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 Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division 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 Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 17th day of May, 1982.

D. RAMEY, Division Director