



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER CTB-485

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Attention: Ms. Pamela S. Harris

RECEIVED
OCD - ARTESIA
JAN 15 1999

The above named company is hereby authorized to commingle South Dagger Draw-Upper Pennsylvanian Associated Pool (15475) production from the following leases:

Lease:	Preston Federal Com (Federal Lease No. NM045276)				
Description:	<u>Well</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
	1	L	35	20S	24E
	3	A	34	20.5S	23E
	4	P	34	20.5S	23E
	5	O	34	20S	24E
	7	D	35	20S	24E
	10	P	35	20S	24E
	12	I	34	20S	24E
	13	I	35	20S	24E
	14	N	35	20S	24E
	17	J	35	20S	24E
	22	J	34	20S	24E
	25	N	34	20S	24E

Lease:	Preston 35N Federal Com (Federal Lease No. NMNM88495(A))				
Description:	<u>Well</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
	6	A	35	20S	24E
	8	H	34	20S	24E
	9	B	34	20.5S	23E
	15	D	35	20S	24E
	18	G	35	20S	24E

all located in Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each lease prior to commingling.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B 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.

REMARKS: The commingled production shall be stored and measured at the common tank battery facility located at the Preston Federal Com Well No. 1 NW/4 SW/4 (Unit L) of Section 35, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico.

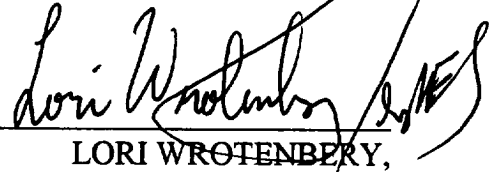
June 3, 1999

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

PROVIDING: Validation of this authority shall be accomplished by like approval from the U. S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 3rd day of June, 1999.



LORI WROTENBERY,
Division Director

LW/MWA/kv

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