



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

COMMINGLING ORDER PC-1090

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

Attention: Ms. Mayte Reyes

LEASE: Byers "ZV" Lease
DESCRIPTION: W/2 of Section 8, Township 8 South, Range 26 East, NMPM,
Chaves County, New Mexico

WELLS: Byers "ZV" No. 1 (API No. 30-005-62162)
Unit N, Section 8, T-8S, R-26E, NMPM,
Northeast Rock Schoolhouse-Wolfcamp Gas Pool &
Pecos Slope-Abo Pool (Dual Completion)

The above-named company is hereby authorized to commingle commonly-owned Rock Schoolhouse-Wolfcamp (Gas - 97179) and Pecos Slope-Abo (Gas - 82730) Pool production from the above-mentioned well and to determine production from the well by:

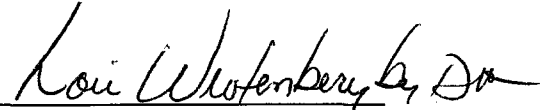
Production from the dually completed Byers "ZV" Well No. 1 shall be determined on the basis of fixed allocation percentages. Initial production data from each of the pools in this well shall provide the data necessary to arrive at the fixed production allocation. **The applicant shall provide the Division the initial production data, along with the proposed fixed allocation for this well prior to commingling.**

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 upon implementation of commingling operations.

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Yates Petroleum Corporation
April 25, 2003
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DONE at Santa Fe, New Mexico, on this 25th day of April, 2003.

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery, D.", is written over a horizontal line.

LORI WROTENBERY,
Division Director

LW/DRC

cc: Oil Conservation Division- Artesia