



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COMMINGLING ORDER CTB-471-A

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

Attention: Ms. Mayte Reyes

The above named company is hereby authorized to surface commingle North Dagger Draw-Upper Pennsylvanian Pool (Oil - 15472) production from the following leases:

Lease:	North Dagger Draw Upper Pennsylvanian Unit
Description:	S/2 NW/4, SW/4, S/2 SE/4, NE/4 SE/4, Section 30, T-19S, R-25E, NMPM;
Wells:	NDDUP Wells No. 127, 128, 126, 105, 131, 106, 132, 129 and 130
Lease:	Dagger "ZW"
Description:	NE/4 SE/4, Section 25, T-19S, R-24E, NMPM;
Well:	Dagger "ZW" Well No. 2
Lease:	Pincushion "AHN"
Description:	NW/4 SE/4, Section 25, T-19S, R-24E, NMPM;
Well:	Pincushion "AHN" Well No. 2
Lease:	Savannah State
Description:	N/2 NE/4, Section 32, T-19S, R-25E, NMPM;
Wells:	Savannah State Com Wells No. 1 and 2
Lease:	Joyce Federal Com
Description:	N/2 NW/4, Section 32, T-19S, R-25E, NMPM;
Wells:	Joyce Federal Com Wells No. 1 and 2

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 Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.


REMARKS: The commingled production shall be stored in the NDDUP Tank Battery facility located at NDDUP Well No. 127 within the NE/4 SW/4 of Section 30, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

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

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PROVIDING: The applicant shall obtain like approval to surface commingle from the Commissioner of Public Lands and the U.S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 12th day of September, 2005.


MARK E. FESMIRE, P.E.
Division Director

MEF/drc

cc: Oil Conservation Division - Artesia
State Land Office - Oil & Gas Division
Bureau of Land Management - Carlsbad
File-CTB-471