



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Surface Commingling Order CTB-602

June 08, 2009

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210

Attention: Mayte Reyes

Yates Petroleum Corporation is hereby authorized to surface commingle Lane; Abo Southeast Pool (36676) oil and gas production from the following leases and wells.

Merle BOG State Well No. 3 (API No. 30-025-37545) Section 14, T-10S, R-34E

Merle BOI State Well No. 5, (API No. 30-025-37911) Section 23, T-10S, R-34E

Merle BOH State Well No. 6 (API No. 30-025-38184) Section 14, T-10S, R-34E

Merle BOG State Well No. 7 (API No. 30-025-37979) Section 14, T-10S, R-34E

Merle BOI State Well No. 8 (API No. 30-025-38017) Section 23, T-10S, R-34E

Merle BOG State Well No. 10 (API No. 30-025-38253) Section 14, T-10S, R-34E

Merle BOF State Well No. 14 (API No. 30-025-38396) Section 13, T-10S, R-34E

All in NMPM, Lea County, New Mexico

Commingled oil and gas production from the wells detailed above shall be measured and sold at the **Merle BOG State Well No. 3** Tank Battery located in Unit P of Section 14, Township 10 South, Range 34 East, NMPM, Lea County, New Mexico.

Oil production from all the wells shall be measured continuously with calibrated allocation meters prior to commingling with production from other wells. The current oil and gas




production from the rest of the wells is approved for off-lease measurement and sales. The allocation meters for oil shall be calibrated semi-annually.

Gas production from the wells shall be measured continuously with calibrated allocation meters installed in the wells prior to commingling with gas from other wells. The gas allocation meters shall be calibrated quarterly.

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 Hobbs district office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on June 08, 2009.


MARK E. FESMIRE, P.E.,
Division Director

MEF/re

cc: Oil Conservation Division – Hobbs
State Land Office - Oil , Gas, and Minerals Division – Santa Fe