



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-604

October 20, 2009

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

Attention: Mayte Reyes

Yates Petroleum Corporation is hereby authorized to surface commingle Atoka; San Andres Pool (03610) oil production from the following fee leases and wells.

Dayton FN Well No. 1 (API No. 30-015-21733) Section 28, T-18S, R-26E

Dayton FN Well No. 2, (API No. 30-015-28878) Section 28, T-18S, R-26E

Dayton FG Well No. 1 (API No. 30-015-21721) Section 28, T-18S, R-26E

Dayton FO Well No. 2 (API No. 30-015-22331) Section 28, T-18S, R-26E

All in NMPM, Eddy County, New Mexico

Commingled oil production from the wells detailed above shall be measured and sold at the Central Tank Battery located in Unit C of Section 28, Township 18 South, Range 26 East, NMPM, Eddy 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 commingled oil production from all the wells is approved for off-lease measurement and sales. The allocation meters for oil shall be calibrated semi-annually. Any gas production shall **NOT** be commingled.

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.



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

DONE at Santa Fe, New Mexico, on October 20, 2009.

A handwritten signature in black ink, appearing to read "Mark E. Fesmire". The signature is fluid and cursive, with a large initial "M" and a stylized "F".

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

MEF/re

cc: Oil Conservation Division – Artesia