



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

COMMINGLING ORDER PLC-145

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

Attention: Ms. Pamela Evans

The above named company is hereby authorized to commingle Dagger Draw Upper Penn South (Associated-15475) and Cemetary Wolfcamp (Gas-74680) Pool production from the following leases:

Lease: Hillview "AHE" - Prickley Pear "AIE" Federal Lease (Communitized)
Description: E/2 of Section 23, Township 20 South, Range 24 East, NMPM; and

Lease: Hillview "AHE" - Saguaro "AGS" Federal Lease (Communitized)
Description: W/2 of Section 23, Township 20 South, Range 24 East, NMPM

All in Eddy County, New Mexico.

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

NOTE: The commingled production shall be stored in the Hillview "AHE" Fed. Com. #2 central tank battery facility located in Unit Letter G of Section 23, Township 20 South, Range 24 East.

REMARKS: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 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.


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

NOTE: This order supersedes Division Order CTB-359 and such order is hereby placed in abeyance.

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

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August 3, 1998
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DONE at Santa Fe, New Mexico, on this 3rd day of August, 1998.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division - Artesia
U.S. Bureau of Land Management - Carlsbad