

Aubrey Dunn COMMISSIONER

May 6, 2015

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE. NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

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

Attn:

Ms. Cristy Kennedye

Re:

Downhole Commingling Application

State A A/C 1 Well #128

API 30-025-34876 Sec 13-25S-36E Unit K

Jalmat; Yates, Seven Rivers (33820) Pool and Langlie; Mattix, Queen, Grayburg (34270) Pool

Lea County, New Mexico

RECEIVED OCD

Dear Ms. Kennedye:

Thank you for your application to downhole commingle the Jalmat; Yates, Seven Rivers (33820) Pool and Langlie; Mattix, Queen, Grayburg (34270) Pool from the referenced well in Lea County, New Mexico.

Since it appears that all the New Mexico Oil Conservation's (OCD) rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your application is approved. Any deviation from the substance of your application will be cause for rescinding our approval, and approval is subject to like approval by the OCD.

Please send in your filing fee in the amount of \$30.00. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours

COMMISSIONER OF PUBLIC LANDS

AD/sk Enclosure

xc: Reader File

OCD-Daniel Sanchez