

State of New Mexico Commissioner of Public Lands

COMMISSIONER

Aubrey Dunn

April 14, 2016

Yates Petroleum Corp. 105 South 4th St. Artesia, NM 88210

Attention: Ms. Miriam Morales

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

Order 668

Re: Surface Commingle Anthill AAK State Com Sec 02-20S-29E Anthill AAK State Com #2H API #30-015-38575 Anthill AAK State Com #3H API #30-015-37576 Anthill AAK State Com #4H API #30-015-40731 Parkway;Bone Spring Pool (49622) Lea County, New Mexico

Dear Ms. Morales:

We are in receipt of your application requesting to surface commingle the above captioned wells into a central tank battery at Anthill AAK State Com @ Sec 02-20S-29E.

Since it appears that all the New Mexico Oil Conservation Division's 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 request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the NMOCD's approval to this office.

Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Please submit a \$30.00 dollar filing fee. 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.

COMMISSIONER OF PUBLIC LANDS

AD/sk cc: Reader File OCD-Mr. Daniel Sanchez