

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

- CTB 74 1/2
 - Yates Petroleum Corporation
 25575

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

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- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or (SLO)
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

- well
 - Cranberry B S 4 state
 com SH
 30-025-41670
 - Date BOB state com
 4H
 30-025-41377
 - DATE BOB state com SH
 30-025-41671
 - Cranberry B S 4 state
 com 4H 30-025-41378
 Pool
 - Berry; Bowe Springs
 2H ONLY

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Miriam Morales _____
 Print or Type Name Signature Production Analyst Title 3/24/15 Date

mmorales@yatespetroleum.com
 e-mail Address

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-41671
5. -Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-9011
7. Lease Name or Unit Agreement Name
Date BTB State Com
8. Well Number 8H
9. OGRID Number 025575
10. Pool name or Wildcat Berry; Bone Spring, north
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3791' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. Fourth Street Artesia, NM 88210

4. Well Location
Unit Letter A : 15 feet from the N line and 680 feet from the E line
Section 14 Township 21S Range 33E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
TEMPORARILY ABANDON CHANGE PLANS
PULL OR ALTER CASING MULTIPLE COMPL
DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
COMMENCE DRILLING OPNS. P AND A
CASING/CEMENT JOB

OTHER: Surface Lease Commingle

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum respectfully requests administrative approval to surface lease commingle oil & gas production for the following wells:

Cranberry BSU State Com #1H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41378
St. Lease # VB-2103
Lea County, NM

Cranberry BSU State Com #5H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41670
St. Lease # VB-2103
Lea County, NM

Date BTB State Com #4H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41377
St. lease #VO-9011
Lea County, NM

Date BTB State Com #8H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41671
St. lease #VO-9011
Lea County, NM

The battery is located at Sec. 11-T21S-R33E, Unit P. Please see attached site security diagram.
The ownership is diversified. All owners have been notified and copies of certified receipts and letters are attached.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the battery. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Cranberry #1H is 530 bbls, Cranberry #5H is 193 bbls, Date #4H is 348 bbls and for the Date #8H is 470 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings.
The Agave's CDP meter #11800 is located at the battery.

Estimated daily gas production for the Cranberry #1H is 490 MCF, Cranberry #5H is 185 MCF, Date #4H is 468 MCF and for the Date #8H is 930 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Miriam Morales TITLE Production Analyst DATE 3/23/15
Type or print name Miriam Morales E-mail address: mmorales@yatespetroleum.com PHONE: 575-748-4200

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

District II
1301 W. Grand Ave, Artesia, NM-88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Yates Petroleum Corporation

OPERATOR ADDRESS: 105 South Fourth St. Artesia, NM 88210

APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? Yes No
- (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
- (4) Measurement type: Metering Other (Specify)
- (5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING Please attach sheets with the following information

- (1) Pool Name and Code. Berry; Bone Spring, north #5535
- (2) Is all production from same source of supply? Yes No
- (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
- (4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT Please attached sheets with the following information

- (1) Is all production from same source of supply? Yes No
- (2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
- (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
- (3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Miriam Morales TITLE: Production Analyst DATE: 3/23/05

TYPE OR PRINT NAME Miriam Morales TELEPHONE NO.: (575) 748-1471

E-MAIL ADDRESS: mmorales@yatespetroleum.com

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
Phone (575) 393-8181 Fax: (575) 393-0720

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

HOBBS OCD

State of New Mexico

HOBBS OCD

Form C-102

Revised August 1, 2011

Energy, Minerals and Natural Resources Department

Submit one copy to appropriate District Office

SEP 11 2013

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-41378	Pool Code 5535	Pool Name Berry: Bone Spring, North 3rd Bone Spring Sand
Property Code 40113	Property Name CRANBERRY "BSU" STATE COM	Well Number 1H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3786

Surface Location

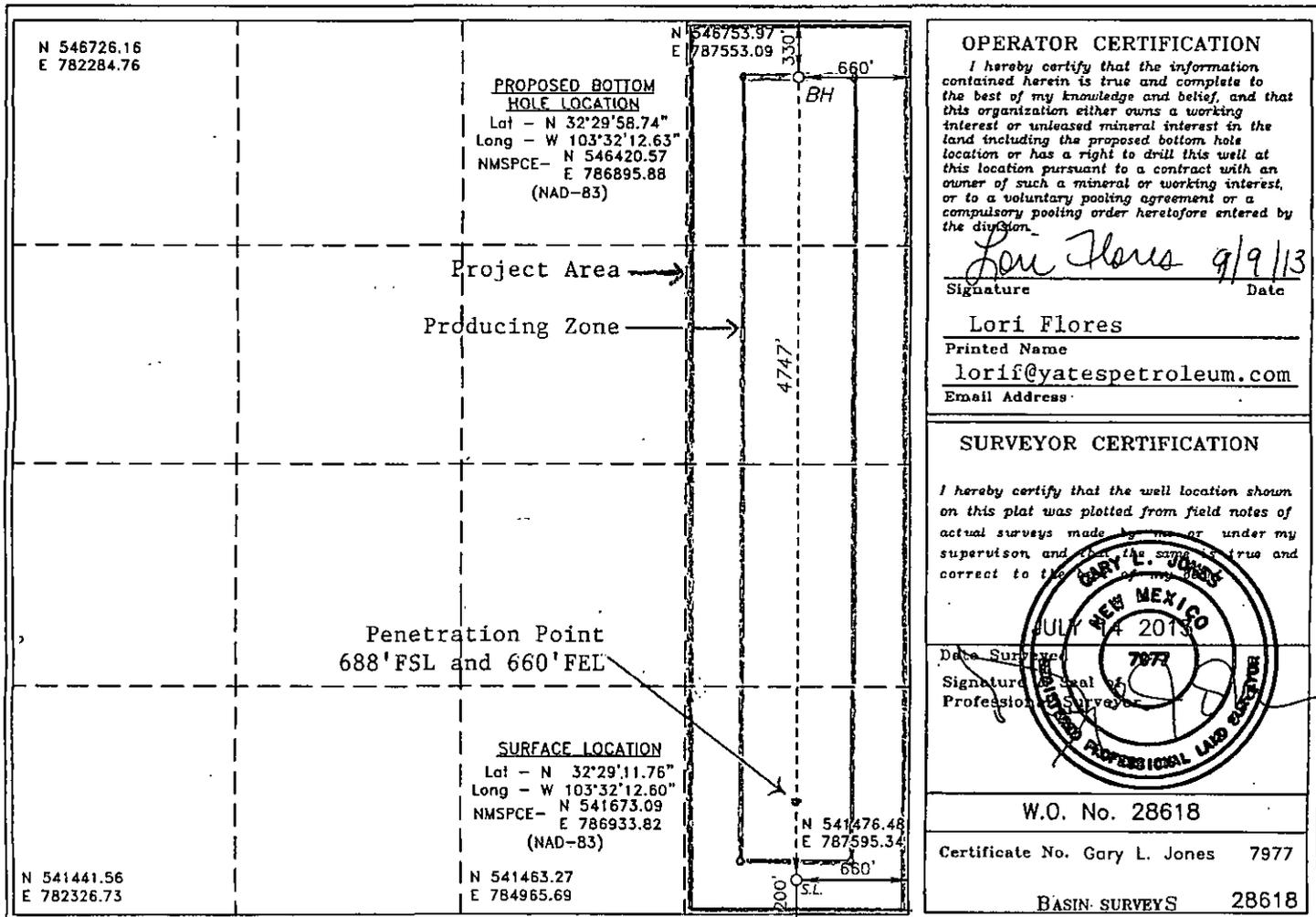
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	21 S	33 E		200	SOUTH	660	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	21 S	33 E		330	NORTH	660	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



SEP 12 2013

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

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FEB 09 2015

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41670	² Pool Code 5535	³ Pool Name Berry; Bone Spring, North
⁴ Property Code 40113	⁵ Property Name Cranberry BSU State Com	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁶ Well Number 5H ⁹ Elevation 3790'GL

¹⁰ Surface Location

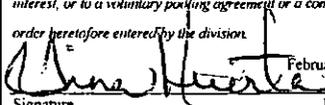
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	21S	33E		15	South	680	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	21S	33E		331	North	674	East	Lea

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

				33E 674'E BHL	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p style="text-align: right;">  February 5, 2015 Signature Date </p> <p> Tina Huerta Printed Name tinaht@yatespetroleum.com E-mail Address </p>
					<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
					<p>Certificate Number</p>
				SWF 155 680'E	

MAR 02 2015

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1625 N. French Dr., Hobbs, NM 88240
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Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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FEB 09 2015
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Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41377		² Pool Code 5535		³ Pool Name Berry; Bone Spring, North	
⁴ Property Code 40110		⁵ Property Name Date BTB State Com			⁶ Well Number 4H
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3,788' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	21S	33E		15	North	510	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	21S	33E		336	South	757	East	Lea

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16			SURF 610'E 15'N	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Laura Watts</i> Signature February 5, 2015 Date</p> <p>Laura Watts Printed Name</p> <p>laura@yatespetroleum.com E-mail Address</p>
				<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>
			BHL 757'E 33E	

MAR 02 2015

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720

HOBBS OCD

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1290 Fax: (575) 748-0728

FEB 24 2014

OIL CONSERVATION DIVISION

Submit one copy to appropriate
District Office

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-0170

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-41671		Pool Code 5535	Pool Name Berry; BoneSpring, North
Property Code 40110	Property Name DATE BTB STATE COM		Well Number 8H
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3791

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/EAST LINE	County
A	14	21 S	33 E		15	NORTH	680	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/EAST LINE	County
P	14	21 S	33 E		330	SOUTH	680	EAST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SURFACE LOCATION
 Lat - N 32°29'09.64"
 Long - W 103°32'12.83"
 NMSPC- N 541458.2
 E 786915.7
 (NAD-83)

PROPOSED BOTTOM HOLE LOCATION
 Lat - N 32°28'20.82"
 Long - W 103°32'12.79"
 NMSPC- N 536195.8
 E 786955.5
 (NAD-83)

OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unLEASEd mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Travis Hahn Date: 2/20/14
 Printed Name: Travis Hahn
 Email Address: thahn@yatespetroleum.com

SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

Date Surveyed: JANUARY 7 2014
 Signature & Seal of Professional Surveyor: [Signature]
 Certificate No.: 7977

SCALE: 1" = 2000'
 WO Num.: 29938

FEB 25 2014

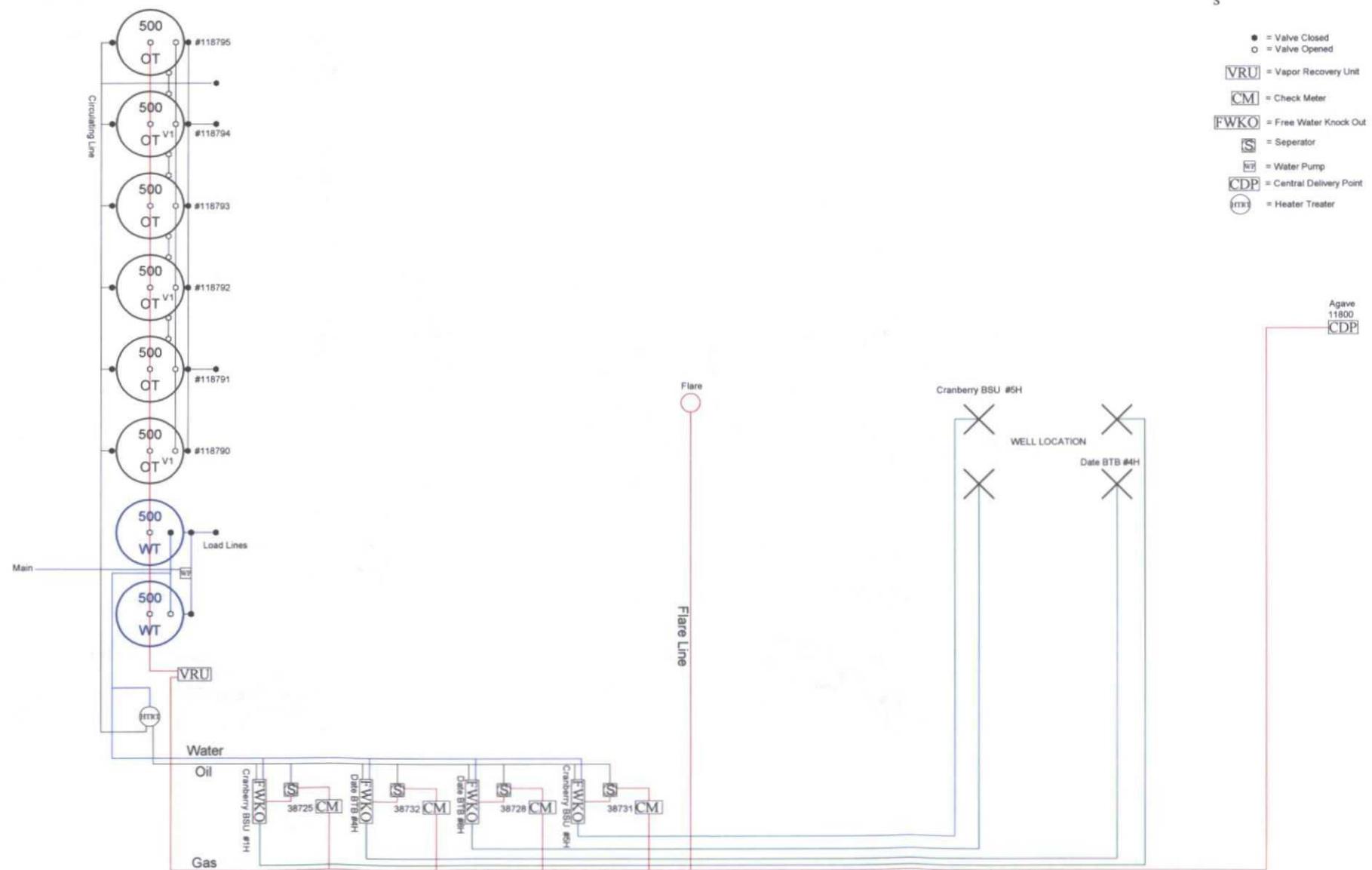
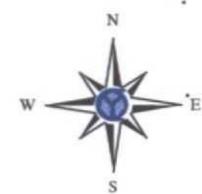


105 South 4th Street * Artesia, NM 88210
(575) 748-1471

-Joe Palma
-February, 2015

Cranberry/Date Battery

15' FSL & 880' FWL * Sec 11 - T21S-R33E* Unit P
Eddy County, NM



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan
which is on file at 105 South 4th Street, Artesia, NM

MARTIN YATES, III
1912-1985

FRANK-W.-YATES
1936-1986

S.P. YATES
1914-2008



JOHN A. YATES
CHAIRMAN EMERITUS

JOHN A. YATES, JR.
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

RE: Surface Lease Commingle
Date BTB State Com #8H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of an application to Surface lease commingle oil & gas production for the following wells:

Cranberry BSU State Com #1H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41378
St. Lease #VB-2103
Lea County, NM

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Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41670
St. Lease # VB-2103
Lea County, NM

Date BTB State Com #4H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41377
St. lease #VO-9011
Lea County, NM

Date BTB State Com #8H
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Sec. 14-T21S-R33E
API #30-025-41671
St. lease #VO-9011
Lea County, NM

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The ownership is diversified.

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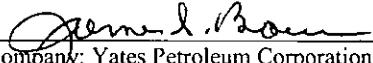
The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application


Company: Yates Petroleum Corporation

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S.P. YATES
1914-2008



JOHN A. YATES
CHAIRMAN EMERITUS

JOHN A. YATES-JR.
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

RE: Surface Lease Commingle
Date BTB State Com #8H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of an application to Surface lease commingle oil & gas production for the following wells:

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Berry; Bone Spring, N
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Lea County, NM

Cranberry BSU State Com #5H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41670
St. Lease # VB-2103
Lea County, NM

Date BTB State Com #4H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41377
St. lease #VO-9011
Lea County, NM

Date BTB State Com #8H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41671
St. lease #VO-9011
Lea County, NM

The battery is located at Sec. 11-T21S-R33E, Unit P.
The ownership is diversified.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the battery. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Cranberry #1H is 530 bbls, Cranberry #5H is 193 bbls, Date #4H is 348 bbls and for the Date #8H is 470 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's CDP meter #11800 is located at the battery.

Estimated daily gas production for the Cranberry #1H is 490 MCF, Cranberry #5H is 185 MCF, Date #4H is 468 MCF and for the Date #8H is 930 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application

Company: Myco Industries, Inc

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

MARTIN YATES, III
1912-1985

FRANK-W.-YATES
1936-1986

S.P. YATES
1914-2008



JOHN A. YATES
CHAIRMAN EMERITUS

JOHN-A.-YATES-JR.
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

RE: Surface Lease Commingle
Date BTB State Com #8H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of an application to Surface lease commingle oil & gas production for the following wells:

Cranberry BSU State Com #1H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41378
St. Lease #VB-2103
Lea County, NM

Cranberry BSU State Com #5H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41670
St. Lease # VB-2103
Lea County, NM

Date BTB State Com #4H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41377
St. lease #VO-9011
Lea County, NM

Date BTB State Com #8H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41671
St. lease #VO-9011
Lea County, NM

The battery is located at Sec. 11-T21S-R33E, Unit P.
The ownership is diversified.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the battery. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Cranberry #1H is 530 bbls, Cranberry #5H is 193 bbls, Date #4H is 348 bbls and for the Date #8H is 470 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's CDP meter #11800 is located at the battery.

Estimated daily gas production for the Cranberry #1H is 490 MCF, Cranberry #5H is 185 MCF, Date #4H is 468 MCF and for the Date #8H is 930 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application

Company: Abo Petroleum Corporation

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S.P. YATES
1914-2008



JOHN A. YATES
CHAIRMAN EMERITUS

JOHN A. YATES JR.
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

March 23, 2015

RE: Surface Lease Commingle
Date BTB State Com #8H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is requesting approval from the Oil Conservation Division and the State Land Office to Surface lease commingle oil & gas for the following wells:

Cranberry BSU State Com #1H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41378
St. Lease # VB-2103
Lea County, NM

Cranberry BSU State Com #5H
Berry; Bone Spring, N
Sec. 11-T21S-R33E
API #30-025-41670
St. Lease # VB-2103
Lea County, NM

Date BTB State Com #4H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41377
St. lease #VO-9011
Lea County, NM

Date BTB State Com #8H
Berry; Bone Spring, N
Sec. 14-T21S-R33E
API #30-025-41671
St. lease #VO-9011
Lea County, NM

The battery is located at Sec. 11-T21S-R33E, Unit P.
The ownership is diversified.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the battery. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Cranberry #1H is 530 bbls, Cranberry #5H is 193 bbls, Date #4H is 348 bbls and for the Date #8H is 470 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's CDP meter #11800 is located at the battery.

Estimated daily gas production for the Cranberry #1H is 490 MCF, Cranberry #5H is 185 MCF, Date #4H is 463 MCF and for the Date #8H is 930 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe within 20 days from the date the division receives the application. Application will be sent in conjunction with notification to owners.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER



YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS SERVICE REQUESTED



7014 0510 0001 0743 9356
7014 0510 0001 0743 9356

Sent To
Street, Apt. No.,
or PO Box No.
City, State, Zip+4
PS Form 3800, A

COG OPERATING LLC
P O BOX 844857
DALLAS, TX 75284-4857

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

DALLAS TEXAS

COG OPERATING LLC
P O BOX 844857
DALLAS, TX 75284-4857

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

<p>SENDER: COMPLETE THIS SECTION</p> <ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p>COG OPERATING LLC P O BOX 844857 DALLAS, TX 75284-4857</p>	<p>COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee X</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number 7014 0510 0001 0743 9356 (Transfer from se)</p>	

CERTIFIED MAIL™



YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS SERVICE REQUESTED

7014 0510 0001 0743 9363
7014 0510 0001 0743 9363

Sent to
Street, Apt. No.,
or PO Box No.
City, State, ZIP+4
PS Form 3800, All

GMT EXPLORATION COMPANY LLC
20333 STATE HWY 249 SUITE 460
HOUSTON, TX 77070-2613

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only. No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

DATE WITH COPY L 3/13/15
KLIN ANGE POST

GMT EXPLORATION COMPANY LLC
20333 STATE HWY 249 SUITE 460
HOUSTON, TX 77070-2613

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>GMT EXPLORATION COMPANY LLC 20333 STATE HWY 249 SUITE 460 HOUSTON, TX 77070-2613</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p>
<p>2. Article Number (Transfer from se 7014 0510 0001 0743 9363</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

PS Form 3811, July 2013

Domestic Return Receipt



YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS SERVICE REQUESTED

CERTIFIED MAIL™



7014 0510 0001 0743 9400
7014 0510 0001 0743 9400

Sent to: **N M S L O**
Street, Apt. No. or PO Box No.: **PO BOX 1148**
City, State, ZIP: **Santa Fe NM 87504**
PS Form 3800, August 2006 See Reverse for Instructions

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

DATE OF DELIVERY
08/18/06
M. S. C. J. C.

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, New Mexico 87504-114

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>NEW MEXICO STATE LAND OFFICE COMMISSIONER OF PUBLIC LANDS 310 OLD SANTA FE TRAIL P O BOX 1148 SANTA FE, NM 87504-1148</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p>
<p>2. Article Number 7014 0510 0001 0743 9400 (Transfer from si)</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

Save this receipt for your records. For more information, visit us online at www.usps.com. ©2013 USPS®

Prod History - Monthly by Delsys and Well Comp - Whole

Property Type Code	Property Header Name	Days Up	Oil Beg Inv	Oil End Inv	Oil Production	Oil Sales	Oil Uses	Gas Production	Gas Sales	Gas Sales MMBTU	Gas Uses	Water Production	Water Uses	Water Injection
New Mexico														
Delivery System: DS01962 DATE & CRANBERRY DelSys														
1/31/2015														
WellComp	DATE BTB STATE COM #4H	31	0.00	1,713.00	5,713.00	4,000.00	0.00	2,405.00	2,405.00	2,671.63	0.00	14,454.00	10,565.00	3,889.00
	1/31/2015 Total:		0.00	1,713.00	5,713.00	4,000.00	0.00	2,405.00	2,405.00	2,671.63	0.00	14,454.00	10,565.00	3,889.00
	DATE & CRANBERRY DelSys Total:		0.00	1,713.00	5,713.00	4,000.00	0.00	2,405.00	2,405.00	2,671.63	0.00	14,454.00	10,565.00	3,889.00
	New Mexico Total:		0.00	1,713.00	5,713.00	4,000.00	0.00	2,405.00	2,405.00	2,671.63	0.00	14,454.00	10,565.00	3,889.00
	Report Total:		0.00	1,713.00	5,713.00	4,000.00	0.00	2,405.00	2,405.00	2,671.63	0.00	14,454.00	10,565.00	3,889.00

Production Date Equals 9/30/2014 12:00:00 AM
 AND 1/31/2015 12:00:00 AM
 State In List 'New Mexico'
 Well Equals 002257 DATE BTB STATE COM #4H

Prod History - Monthly by Delsys and Well Comp - Whole

Property Type Code	Property Header Name	Days Up	Oil Beg Inv	Oil End Inv	Oil Production	Oil Sales	Oil Uses	Gas Production	Gas Sales	Gas Sales MMBTU	Gas Uses	Water Production	Water Uses	Water Injection
New Mexico														
Delivery System: DS01962		DATE & CRANBERRY DelSys												
1/31/2015														
WellComp	CRANBERRY BSU STATE COM #5H	31	0.00	201.00	671.00	470.00	0.00	253.00	253.00	281.37	0.00	5,083.00	3,715.00	1,368.00
	1/31/2015 Total:		0.00	201.00	671.00	470.00	0.00	253.00	253.00	281.37	0.00	5,083.00	3,715.00	1,368.00
	DATE & CRANBERRY DelSys Total:		0.00	201.00	671.00	470.00	0.00	253.00	253.00	281.37	0.00	5,083.00	3,715.00	1,368.00
	New Mexico Total:		0.00	201.00	671.00	470.00	0.00	253.00	253.00	281.37	0.00	5,083.00	3,715.00	1,368.00
	Report Total:		0.00	201.00	671.00	470.00	0.00	253.00	253.00	281.37	0.00	5,083.00	3,715.00	1,368.00

Production Date Equals 9/30/2014 12:00:00 AM
 AND 1/31/2015 12:00:00 AM
 State In List 'New Mexico'
 Well Equals 001961 CRANBERRY BSU STATE
 COM #5H