



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

ADMINISTRATIVE ORDER DHC-1477

Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

Attention: Mr. Morris Keith

*Parish IV Com No. 2
API No. 30-015-26118
Unit F, Section 26, Township 19 South, Range 24 East, NMPM,
Eddy County, New Mexico.
North Cemetary-Atoka (74635) and
Undesignated Hoag Tank-Strawn Pools*

Dear Mr. Keith:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Southeast Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

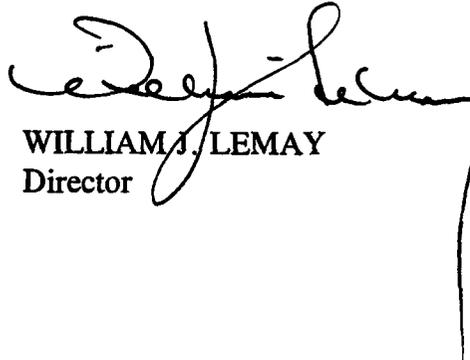
North Cemetary-Atoka Pool	Oil NA	Gas 58%
Undesignated Hoag Tank-Strawn Pool	Oil NA	Gas 42%

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 7th day of April, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/DRC

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