

OIL CONSERVATION DIVISION

COMMINGLING ORDER CTB-414

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

Attention: Ms. Rusty Klein

The above named company is hereby authorized to commingle North Dagger Draw Upper Penn Pool production from the following leases:

Lease: Patriot "AIZ" Well No.10
Description: SE/4 SW/4, and;

Lease: Cutter "APC" Well No.1
Description: SE/4 SE/4, and;

Lease: Vann "APD" Com Well No.1
Description: NW/4 NW/4;

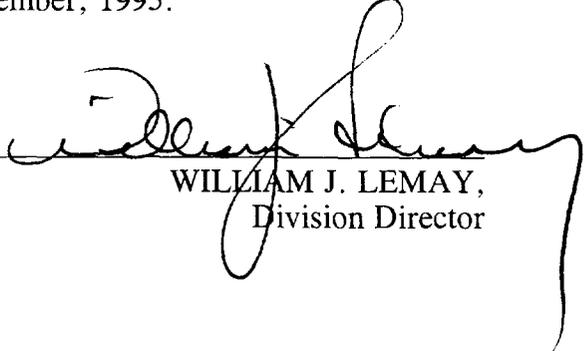
all in Section 21 of Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

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

NOTE: 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 Artesia district office of the Division prior to implementation of the commingling process.

DONE at Santa Fe, New Mexico, on this 13th day of September, 1995.


WILLIAM J. LEMAY,
Division Director

WJL/BES

cc: Oil Conservation Division - Artesia