



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 15, 1994

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

Attention: Rusty Klein

Dear Ms. Klein:

Reference is made to your request dated January 14, 1994, for an amendment to Division Order No. CTB-379, which order authorized the surface commingling of North Dagger Draw-Upper Pennsylvanian Pool production from several wells located on the Ross "EG" Federal Lease and Parish "IV" Fee Lease in the SE/4 of Section 19, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. It is our understanding that you wish to add the Parish "IV" Com Well No. 5 to the commingling order.

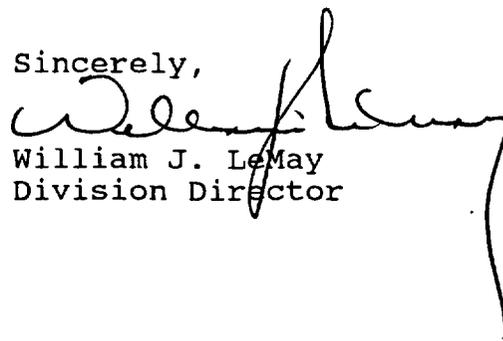
In examining your application, it has been determined that the subject leases have been communitized and that all of the subject wells are located on a standard proration unit comprising the SE/4 of Section 19.

Please be advised that since the subject leases have been communitized, the Division considers the SE/4 of Section 19 to be a commonly owned standard proration unit, and therefore commingling approval is not necessary.

Division Order No. CTB-379 is hereby cancelled.

Enclosed please find your application filed in this matter. If I can be of further assistance, please advise.

Sincerely,


William J. LeMay
Division Director

xc: OCD-Artesia
File-CTB-379