

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

*COMMINGLING ORDER CTB-359*

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

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

Attention: Paul Ragsdale

The above named company is hereby authorized to commingle South Dagger Draw Upper Pennsylvanian production from the following leases:

Lease: Hillview "AHE" Federal Lease (NM-045274)  
Description: SW/4, NE/4, N/2 SE/4, SW/4 SE/4 Section 23;

Lease: Prickley Pear "AIE" Federal Lease (NM-27055)  
Description: SE/4 SE/4 Section 23;

Lease: Saguaro Federal Lease (NM-043625)  
Description: NW/4 Section 23:

All in Township 20 South, Range 24 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 309-B 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.

DONE at Santa Fe, New Mexico, on this 30th day of September, 1991

  
WILLIAM J. LEMAY,  
Division Director

cc: Oil Conservation Division - Artesia  
BLM - Carlsbad