



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenberg**

Director

**Oil Conservation Division**

**COMMINGLING ORDER PC-1089**

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

Attention: Ms. Mayte Reyes

LEASE: Cottonwood Ranch "MK" State Lease (Lease No. L-4283)  
DESCRIPTION: E/2 of Section 36, Township 6 South, Range 25 East, NMPM,  
Chaves County, New Mexico

WELLS: Cottonwood Ranch "MK" State No. 1 (API No. 30-005-60615)  
Unit B, Section 36, T-6S, R-25E, NMPM,  
Cottonwood Ranch-Pennsylvanian Pool &  
Pecos Slope-Abo Pool (Dual Completion)

Cottonwood Ranch "MK" State No. 5 (API No. 30-005-63148)  
Unit H, Section 36, T-6S, R-25E, NMPM,  
Pecos Slope-Abo Pool

The above-named company is hereby authorized to commingle commonly owned Cottonwood Ranch-Pennsylvanian (Gas - 97128) and Pecos Slope-Abo (Gas - 82730) Pool production from the above-mentioned lease and to determine production from each well/pool by:

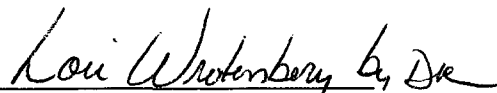
Production from the dually completed Cottonwood Ranch "MK" State Well No. 1 shall be determined on the basis of fixed allocation percentages. Initial production data from each of the pools in this well shall provide the data necessary to arrive at the fixed production allocation. **The applicant shall provide the Division the initial production data, along with the proposed fixed allocation for this well prior to commingling with the Cottonwood Ranch "MK" State No. 5.**

Allocation of production between the Cottonwood Ranch "MK" State Wells No. 1 and 5 shall be on the basis of monthly well tests.

NOTE: This installation shall be installed and operated in accordance with the applicable Division rules and regulations. 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 upon implementation of commingling operations.

DONE at Santa Fe, New Mexico, on this 24th day of April, 2003.



LORI WROTENBERY,  
Division Director

LW/DRC

cc: Oil Conservation Division- Artesia  
State Land Office-Oil & Gas Division