State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Brett F. Woods, Ph.D. Deputy Cabinet Secretary

April 18, 2014

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-394 Administrative Application Reference No. pMAM1408534337

YATES PETROLEUM CORPORATION

Attn: Ms. Miriam Morales

Pursuant to your application received on March 26, 2014, YATES PETROLEUM CORPORATION (OGRID 25575) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico;

Penaso Draw; SA-Yeso (Associated) (50270) North Seven Rivers; Glorieta-Yeso (97565)

and from the following diversely owned wells located on fee leases in said township and range in Eddy County, New Mexico:

Julie Well No. 2 API No. 30-015-27047 660 FNL & 1980 FEL Section 17, Township 19 South, Range 25 East

Roy AET Well No. 6H API No. 30-015-41726 530 FSL & 150 FEL Section 8, Township 19 South, Range 25 East

Thomas AJJ Well No. 7H API No. 30-015-41969 1500 FSL & 150 FEL Section 8, Township 19 South, Range 25 East The commingled oil and gas production shall be measured and sold at the Roy AET Well No. 2 Central Tank Battery (CTB) located in Unit M, Section 8, Township 19 South, Range 25 East, Eddy County, New Mexico.

Oil and gas production from each well shall be separately metered before commingling with production from other wells. The meters shall be calibrated semi-annually in accordance with Rule 19.15.12.10.C (2) NMAC.

The operator shall notify the transporter of this commingling authority.

The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on April 18, 2014.

Jami Bailey

Division Director

JB/mam

cc: Oil Conservation Division District Office – Artesia