State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



ADMINISTRATIVE OFF-LEASE MEASUREMENT ORDER

Administrative Order OLM-74 Application Reference No. pPRG1307148223

April 10, 2013

Yates Petroleum Corporation Attention: Ms. Miriam Morales

Yates Petroleum Corporation is hereby authorized to measure **oil production only** off-lease from the following well, producing from the Boyd; Permo-Penn (Gas) Pool (72850), in Eddy County, New Mexico:

Arrow ARW Federal Com. Well No. 1 (API No. 30-015-28898), Unit J, Section 11, T-19-S, R-25-E

The oil production from this well shall be measured at the tank Battery located at the site of the Serano Federal Well No. 1 (API No. 30-015-28166) in Unit M, Section 11, Township 19 South, Range 25 East, NMPM, in Eddy County, New Mexico. Gas production shall continue to be measured at the on-lease gas sales meter.

The surface commingling of oil and gas production is NOT authorized.

The operator shall notify the Artesia district office of the Division before commencement of Off-Lease Measurements.

The approval is subject to like approval by the United States Bureau of Land Management.

Jami Bailey Division Director

JB/re

cc: Oil Conservation Division District II Office – Artesia United States Bureau of Land Management