

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-752
Administrative Application Reference No. pMAM1509734337

April 27, 2015

Yates Petroleum Corporation
Attention: Ms. Miriam Morales

Yates Petroleum Corporation (OGRID 25575) is hereby authorized to surface commingle oil and gas production from the Willow Lake; Bone Spring, West Pool (96415) from the following leases and wells:

<u>Name</u>	<u>API No.</u>	<u>Footages</u>
<u>ULSTR</u>		
Perdomo BMP State Com. Well. No. 1H L-24-24S-27E	30-015-36499	1650` FSL & 660` FWL
Humidor BML State Com. Well. No. 5H I-23-24S-27E	30-015-42755	2365` FSL & 575` FEL
Macanudo BTE State Com. Well. No. 1H I-23-24S-27E	30-015-42893	2365` FSL & 605` FEL

The project area for these wells include the E/2 E/2 of Section 14, E/2 E/2 of Section 23, SW/4 SW/4 of Section 24, W/2 W/2 of Section 25, and E/2 E/2 of Section 26, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Perdomo BMP State Com. No. 1H central tank battery (CTB), located in Unit L, of Section 24, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico.

The oil and gas production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

It is our understanding that notice of this application has been provided to all owners of interest in the subject wells. No objection has been received by the Division during the objection period.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

This approval is subject to like approval from the New Mexico State Land Office before commencing commingling operations.

Done at Santa Fe, New Mexico, on April 27, 2015.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals