



New Mexico Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Administrative Commingling Order PLC-253-A

July 1, 2010

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

Attention: Mayte Reyes

Yates Petroleum Corporation is hereby authorized to commingle oil production between the following four groups of wells. Gas production from the wells shall not be commingled.

Section 36, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico

NW/4SE/4

Dee 36SE State Well No. 3 (API No. 30-015-26623)
Canyon-Wolfcamp (Oil 08450) Pool

SE/4

Dee 36SE State Well No. 5 (API No. 30-015-26671)
North Dagger Draw-Upper Penn (Oil 15472) Pool
Dee 36SE State Well No. 6 (API No. 30-015-26980)
N. Seven Rivers; Glorieta-Yeso Pool (97565)

SW/4

Dee 36SW State Well No. 4 (API No. 30-015-27221)
North Dagger Draw-Upper Penn (Oil 15472) Pool

SW/4

Dee 36SW State Well No. 2 (API No. 30-015-26185)
North Dagger Draw-Upper Penn (Oil 15472) Pool.

The amendment to Order No. PLC-253 constitutes recompleting Dee 36 SE State Well No. 6 above from North Dagger Draw-Upper Penn to N. Seven Rivers; Glorieta-Yeso Pool.

Oil Conservation Division * 1220 South St. Francis Drive

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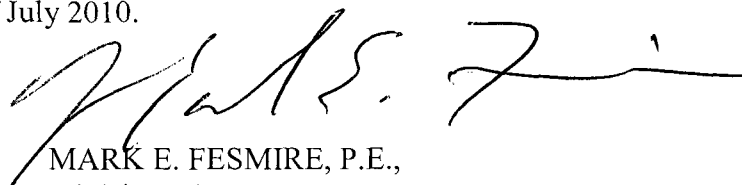
It is our understanding that each of these four groups of wells have identical ownership. Prior to commingling oil production between these groups of wells, oil production from each group shall be separately and continuously metered. Oil production shall be allocated back to each well within each of these groups of wells based on periodic well tests.

The sales point for oil production shall be near the well site of the Dee 36SW State Com Well No. 2 in Unit M of Section 36.

NOTE: The Operator/producer shall notify the transporter of this commingling authority. The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.

This Order supersedes Order No. PLC-253.

Done at Santa Fe, New Mexico on this 1st day of July 2010.



MARK E. FESMIRE, P.E.,
Division Director

MEF/re

cc: Oil Conservation Division – Artesia
State Land Office – Minerals Management