OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

AMENDED COMMINGLING ORDER CTB-408

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

Attention: Ms. Pamela S. Evans

The above named company is hereby authorized to commingle North Dagger Draw Upper Penn (15472) Pool production from the following leases:

Lease:

Hinkle "ALD" Well Nos.1, 2 and 3

Description:

SW/4 NE/4, NW/4 NE/4 and SE/4 NE/4 of Section 28; and,

Lease:

Patriot "AIZ" Well No.5

Description:

SW/4 SE/4 of Section 21; and,

Lease:

Ross "IZ" Well No.2

Description:

SW/4 NW/4 of Section 28,

all in Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each well prior to commingling.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Commingled production shall be stored in the Hinkle 'ALD' No.1 tank battery facility located in Unit Letter 'G', Section 28, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

DONE at Santa Fe, New Mexico, on this 22nd day of June, 1998.

LORI WROTENBERY

Division Director

LW/BES/kv

cc: Oil Conservation Division - Artesia