

COMMINGLING ORDER CTB-477

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 Dagger Draw-Upper Penn, North Pool (15472) production from the following leases:

| Lease: Description: | Ottawa AOW Federal Well Nos. 4, and 6 (Federal Lease No. LC-064488-E) SW/4 NE/4 and SE/4 NE/4 of Section 10, and; |
|------------------------|---|
| Lease: | Rio Penasco MF Federal Com. Well No. 2 (Federal Lease No. NM-12833) |
| Description: | SW/4 NW/4 of Section 11, |

all located 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 lease prior to commingling.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B 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: The commingled production shall be stored in the Ottawa AOW Federal Well No. 4 common tank battery facility located in Unit Letter 'G' of Section 10, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of the commingling process.

PROVIDING: <u>Validation of this authority shall be accomplished by like approval from the U.S. Bureau of Land Management</u>.

DONE at Santa Fe, New Mexico, on this 29th day of September, 1998.

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LORI WROTENBERY, Division Director

LW/MWA/kv cc: Oil Conservation Division - Artesia Bureau of Land Management - Carlsbad