



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

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SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 15, 1994

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

Attention: Rusty Klein

Dear Ms. Klein:

Reference is made to your request dated January 14, 1994, for an amendment to Division Order No. CTB-379, which order authorized the surface commingling of North Dagger Draw-Upper Pennsylvanian Pool production from several wells located on the Ross "EG" Federal Lease and Parish "IV" Fee Lease in the SE/4 of Section 19, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. It is our understanding that you wish to add the Parish "IV" Com Well No. 5 to the commingling order.

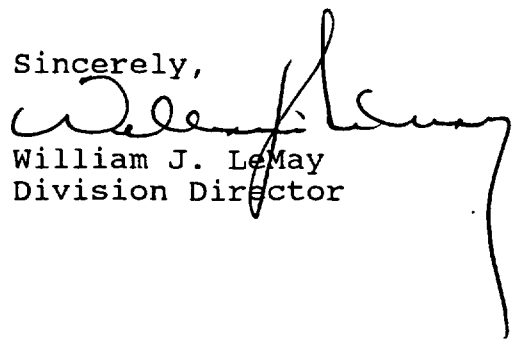
In examining your application, it has been determined that the subject leases have been communitized and that all of the subject wells are located on a standard proration unit comprising the SE/4 of Section 19.

Please be advised that since the subject leases have been communitized, the Division considers the SE/4 of Section 19 to be a commonly owned standard proration unit, and therefore commingling approval is not necessary.

Division Order No. CTB-379 is hereby cancelled.

Enclosed please find your application filed in this matter. If I can be of further assistance, please advise.

Sincerely,


William J. LeMay
Division Director

xc: OCD-Artesia
File-CTB-379