MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986 CHAIRMAN OF THE BOARD
JOHN A. YATES
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EXECUTIVE VICE PRESIDENT
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SECRETARY

DENNIS G. KINSEY TREASURER

S. P. YATES

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

January 4, 1995

Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87504-2088

ATTENTION: David Catanach

RE: Commingling Order CTB-390

Dear David:

This letter is to notify you that a new well has been drilled on a lease that the captioned commingling order covers. This well is:

Warren ANW Federal #2 660' FSL & 660' FWL Section 9-T19S-R25E Eddy County, New Mexico North Dagger Draw Upper Penn Canyon Formation Lease No.: NM-1372

A copy of the captioned commingling order is attached.

If you should need anything else, please give me a call at 505-748-4205.

Thank you.

Sincerely,

Rusty Klein

Production Clerk

rk

Attachment

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

COMMINGLING ORDER CTB-390

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Attention: Rusty Klein

The above named company is hereby authorized to commingle North Dagger Draw-Upper Pennsylvanian Pool production from the following leases:

Lease: Thomas "AJJ" Fee Lease

Description: SE/4 of Section 8, Township 19 South, Range 25 East, NMPM; and

Lease: Warren "ANW" Federal Lease

Description: SW/4 of Section 9, Township 19 South, Range 25 East, NMPM,

both in Eddy County, New Mexico.

Production shall be allocated to each well 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." If is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 17th day of March, 1994.

WILLIAM J. LEMAY,

Division Director

cc: Oil Conservation Division - Artesia

US Bureau of Land Management - Carlsbad