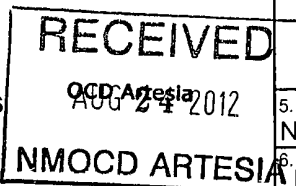


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0137  
Expires July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals*



5. Lease Serial No  
**NM-85891**  
6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other PA		7. If Unit or CA/Agreement, Name and/or No
2. Name of Operator <b>Yates Petroleum Corporation</b>		8. Well Name and No. <b>Knoll AOK Federal #4H</b>
3a. Address <b>105 S. 4th St., Artesia, NM 88210</b>	3b. Phone No. (include area code) <b>575-748-1471</b>	9. API Well No. <b>30-015-39353</b>
4. Location of Well (Footage, Sec., T., R., M., OR Survey Description) <b>430' FNL &amp; 480' FEL Sec. 3-T24S-R29E Unit A, NENE Surface</b> <b>660' FNL &amp; 330' FWL Sec. 3-T24S-R29E Unit D, NWNW Bottom</b>		10. Field and Pool or Exploratory Area <b>Nash Draw/Delaware, SW</b>
		11. County or Parish, State <b>Eddy County, New Mexico</b>

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Surface/Pool</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingled oil</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Yates Petroleum respectfully requests approval to Surface/Pool commingled oil only for the following wells:

Knoll AOK Federal #1  
Cedar Canyon/Bone Spring  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-28127  
Eddy County, NM

Knoll AOK Federal #2H  
Cedar Canyon/ Bone Spring  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-35108  
Eddy County, NM

Knoll AOK Federal #3H  
Cedar Canyon/Bone Spring  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-35907  
Eddy County, NM

Please see continuation attached

Accepted for record SEE ATTACHED FOR  
NMOC D 1/8/12 CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>Miriam Morales</b>	Title <b>Production Analyst</b>
Signature <i>Miriam Morales</i>	Date <b>8/2/12 (re-submitted)</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <b>/s/ JD Whitlock Jr</b>	Title <b>LPE T</b>	Date <b>8/14/12</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <b>CFO</b>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Continuation on Surface/Pool Commingle oil only for Knoll AOK Federal #4H**

Knoll AOK Federal #4H(not yet drilled)  
Nash Draw/Delaware,SW  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-39353

The battery is located at the Knoll #1. Please see attached plats and site security diagrams.

Identical ownership. All owners were notified and documentation is attached.

**Oil Measurement**

Each of the wells will be equipped with continuous metering separators for oil production prior to oil being commingled for sales at the Knoll AOK Federal #1. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to total battery volumes daily and monthly for accuracy.

Estimated daily production for the Knoll #1 is 2 bbls, for the Knoll #2H is 26 bbls, for the Knoll #3H is 28 bbls, and for the Knoll #4H is 300 bbls. The average gravity is 44.5.

The purpose of the Surface/Pool Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

See attached verification process.

## Attachment to the Knoll AOK Federal #4H Surface/Pool commingle oil only application

### Federal Lease #NM-85891

<u>Well name</u>	<u>Field/Pool</u>	<u>BOPD</u>	<u>Grav.</u>
Knoll AOK Federal #1 Sec. 3-T24S-R29E API #30-015-28127 Eddy County, NM	Cedar Canyon; Bone Spring	2	45.0
Knoll AOK Federal #2H Sec. 3-T24S-R29E API #30-015-35108 Eddy County, NM	Cedar Canyon; Bone Spring	26	43.0
Knoll AOK Federal #3H Sec. 3-T24S-R29E API #30-015-35907 Eddy County, NM	Cedar Canyon; Bone Spring	28	43.0
Knoll AOK Federal #4H Sec. 3-T24S-R29E API #30-015-39353 Eddy County, NM	Nash Draw; Delaware, SW	*	*

\*This information will be provided upon well completion with updated site security diagram.

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986

S.P. YATES  
1914-2008



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (575) 748-1471

JOHN A. YATES  
CHAIRMAN OF THE BOARD

JOHN A. YATES JR  
PRESIDENT

JAMES S. BROWN  
CHIEF OPERATING OFFICER

JOHN D. PERINI  
CHIEF FINANCIAL OFFICER

JORGE S. MENDOZA  
CHIEF ADMINISTRATIVE OFFICER

#### **Procedure to verify accuracy of turbine allocation meters:**

- 1) After the initial install of the turbine allocation meter, production fluid from the well associated to said meter is flowed through the meter and into a sales tank.
- 2) The sales tank is then gauged and the calculated volume is compared to the metered volume.
- 3) If needed, corrections to the meter's calibration factor are made to ensure that metered volumes correspond to the measured volumes from the gauged tank.
- 4) This process is repeated periodically or as needed, determined from the lease operator's daily comparison of total allocation meter readings to gauged tank volumes.

Note: Turbine allocation meters are locked to prevent unwanted tampering of the meter calibration factor.

KATHY H. PORTER  
SECRETARY

DENNIS G. KINSEY  
TREASURER

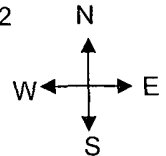
# KNOLL AOK FEDERAL #1 BATTERY

1980' FNL & 1980' FEL \* Sec 3 - T24S - R29E \* Unit G  
Eddy County, NM  
30-015-28127



105 South 4<sup>th</sup> Street \* Artesia, NM 88210  
(505)-748-1471

Junior Orquiz  
March, 2012



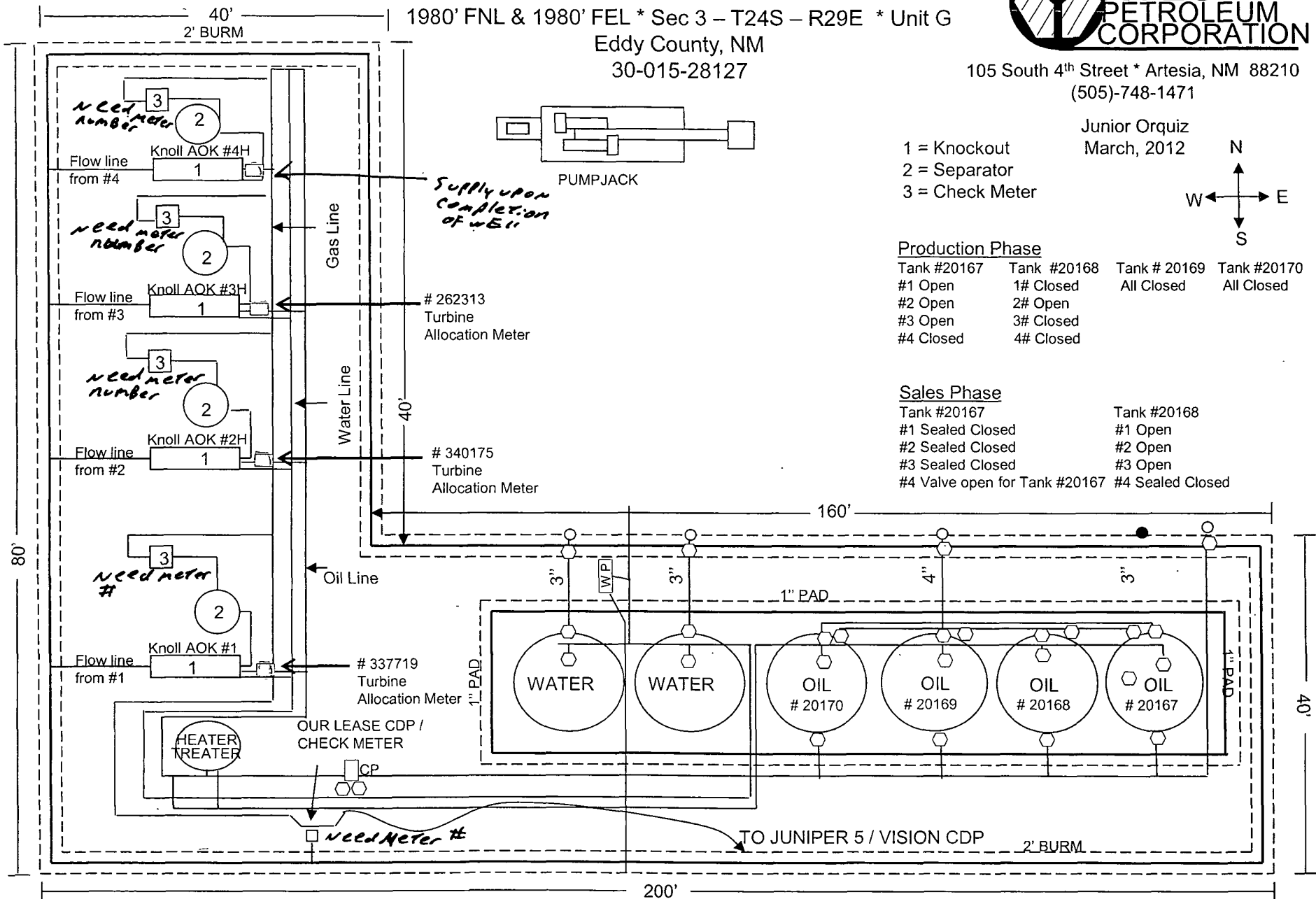
- 1 = Knockout
- 2 = Separator
- 3 = Check Meter

## Production Phase

Tank #20167	Tank #20168	Tank # 20169	Tank #20170
#1 Open	1# Closed	All Closed	All Closed
#2 Open	2# Open		
#3 Open	3# Closed		
#4 Closed	4# Closed		

## Sales Phase

Tank #20167	Tank #20168
#1 Sealed Closed	#1 Open
#2 Sealed Closed	#2 Open
#3 Sealed Closed	#3 Open
#4 Valve open for Tank #20167	#4 Sealed Closed



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan  
which is on file at 105 South 4<sup>th</sup> Street, Artesia, NM

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-28127		2 Pool Code 11520		3 Pool Name CEDAR CANYON; BOVE SPRING		
4 Property Code		5 Property Name KNOLL "AOK" FEDERAL			6 Well Number 1	
7 OGRID No.		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 3062.	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	3	24 S	29 E		1980	NORTH	1980	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 26		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16						17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <i>Ken Beardemphl</i> Printed Name KEN BEARDEMPHL Title LANDMAN Date 7/26/94
						18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  JULY 9, 1994 Date of Survey Signature and Seal of Professional Surveyor: <i>DAN R. REDD</i> NEW MEXICO REGISTERED LAND SURVEYOR 5412 Certificate Number NM PROCEEDINGS 5412

## DISTRICT I

1626 E. French Dr., Hobbs, NM 88240

## DISTRICT II

811 South First, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

## DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87506

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1988

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Wildcat Bone Spring
Property Code	Property Name	Well Number
	Knoll AOK Federal	2 H
OGED No.	Operator Name	Elevation
025575	Yates Petroleum Corp.	3083'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	3	24 S	29 E		330	North	480	East	Eddy

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	3	24 S	29 E		<del>480</del> 658	North	<del>330</del> 938	West	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<b>OPERATOR CERTIFICATION</b> I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Cy Cowan, Regulatory Agent Printed Name Title Refer to Original Plat Date	
<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Refer to Original Plat Date Surveyed Signature & Seal of Professional Surveyor Certificate No.					

DISTRICT I  
1625 E. French Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brancos Rd., Artesia, NM 87410

DISTRICT IV  
2040 South Panhandle, Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1999  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Wildcat Bone Spring
Property Code	Property Name	Well Number
	Knoll AOK Federal	3H
OGRID No.	Operator Name	Elevation
025575	Yates Petroleum Corp.	3058'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	3	24 S	29 E		2310	North	480	East	Eddy

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	24 S	29 E		2210	North	330	West	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

2210'				2310'
330'				480'
Producing Area				
Project Area				

**OPERATOR CERTIFICATION**

I hereby certify the the information contained herein to be true and complete to the best of my knowledge and belief.

*Cy Cowan*

Signature  
Cy Cowan, Regulatory Agent  
Printed Name

Title

Date

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Refer to Original Plat

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.



1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-37357	Pool Code 97148	Pool Name NASH DRAW; DELAWARE, SW
Property Code 15751 ✓	Property Name KNOLL "AOK" FEDERAL ✓	Well Number ✓ 4H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3086'

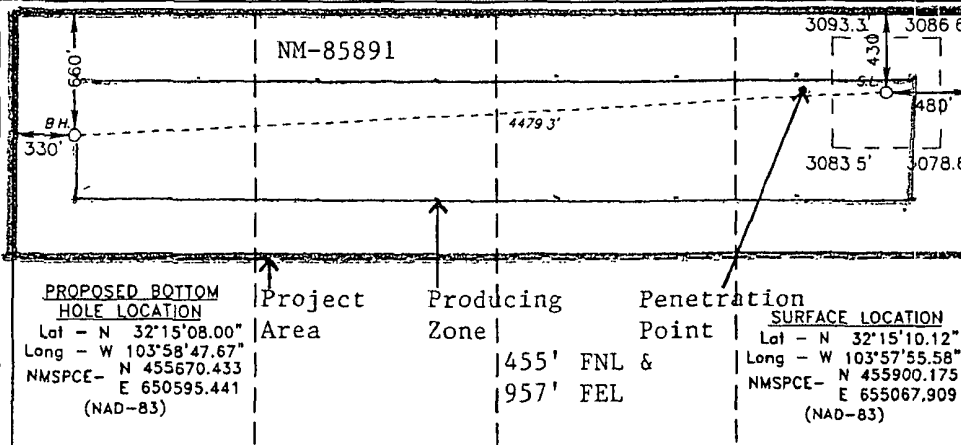
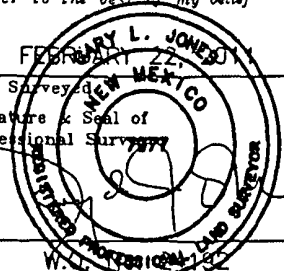
### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	3	24 S	29 E		430	NORTH	480	EAST	EDDY

## Bottom Hole Location If Different From Surface

UL or lot No. D	Section 3	Township 24 S	Range 29 E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 330	East/West line WEST	County EDDY
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p style="text-align: right;"><i>Cy Cowan</i> 12/1/11</p> <p>Signature _____ Date _____</p> <p style="text-align: center;">Cy Cowan</p> <p>Printed Name _____</p> <p><a href="mailto:cw@vatespetroleum.com">cw@vatespetroleum.com</a></p> <p>Email Address _____</p>			
<p><b>PROPOSED BOTTOM HOLE LOCATION</b></p> <p>Lat - N 32°15'08.00"</p> <p>Long - W 103°58'47.67"</p> <p>NMSPCE- N 455670.433</p> <p>E 650595.441</p> <p>(NAD-83)</p>	<p><b>Project Area</b></p>	<p><b>Producing Zone</b></p> <p>455' FNL &amp;</p> <p>957' FEL</p>	<p><b>Penetration Point</b></p>	<p><b>SURFACE LOCATION</b></p> <p>Lat - N 32°15'10.12"</p> <p>Long - W 103°57'55.58"</p> <p>NMSPCE- N 455900.175</p> <p>E 655067.909</p> <p>(NAD-83)</p>	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief</p> <div style="text-align: center;">  </div> <p>Date Surveyed _____</p> <p>Signature &amp; Seal of Professional Surveyor _____</p> <p style="text-align: center;">W. L. JONES</p>
<div style="border: 2px solid black; padding: 10px; transform: rotate(-5deg); display: inline-block;"> <p><b>RECEIVED</b></p> <p><b>AUG 15 2011</b></p> <p><b>NMOCD ARTESIA</b></p> </div>					
<p>Certificate No. Gary L. Jones 7977</p> <p style="text-align: right;">BASIN SURVEYS 24192</p>					

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986

S.P. YATES  
1914-2008



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

JOHN A. YATES  
CHAIRMAN OF THE BOARD

JOHN A. YATES JR.  
PRESIDENT

JAMES S. BROWN  
CHIEF OPERATING OFFICER

JOHN D. PERINI  
CHIEF FINANCIAL OFFICER

JORGE S. MENDOZA  
CHIEF ADMINISTRATIVE OFFICER

August 2, 2012

RE: Surface Pool Commingle  
Knoll AOK Federal #4H  
Eddy County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of a Surface Pool Commingle oil only on the following wells:

Knoll AOK Federal #1  
Cedar Canyon/Bone Spring  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-28127  
Eddy County, NM

Knoll AOK Federal #2H  
Cedar Canyon/ Bone Spring  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-35108  
Eddy County, NM

Knoll AOK Federal #3H  
Cedar Canyon/Bone Spring  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-35907  
Eddy County, NM

Knoll AOK Federal #4H(not yet drilled)  
Nash Draw/Delaware, SW  
Sec. 3-T24S-R29E  
Fed. Lease #NM-85891  
API #30-015-39353

The battery is located at the Knoll #1.  
Identical ownership.

#### Oil Measurement

Each of the wells will be equipped with continuous metering separators for oil production prior to oil being commingled for sales at the Knoll AOK Federal #1. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to total battery volumes daily and monthly for accuracy.

Estimated daily production for the Knoll #1 is 2 bbls, for the Knoll #2H is 26 bbls, for the Knoll #3H is 28 bbls, and for the Knoll #4H is 300 bbls. The average gravity is 44.5.

The purpose of the Surface/Pool Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for this well. This will greatly increase costs and shorten the economic life of the well.

If you should have any questions, please give me a call at (575) 748-4200 (direct line).

Sincerely,

Miriam Morales  
Production Analyst

KATHY H. PORTER  
SECRETARY

DENNIS G. KINSEY  
TREASURER

MYCO INDUSTRIES INC  
P O BOX 840  
ARTESIA, NEW MEXICO 88211

ABO PETROLEUM CORP  
P O BOX 900  
ARTESIA, NEW MEXICO

OXY Y-1 COMPANY  
P.O. BOX 841803  
DALLAS, TX 75284-1803

OCD  
1220 S SAINT FRANCIS DR  
SANTA FE, NEW MEXICO

**Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

Knoll AOK Federal #1, #2H, #3H & #4H  
Yates Petroleum Corporation  
August 13, 2012

**Condition of Approval  
Commingle on and off lease**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases require additional commingling approvals.
11. **Upon completion of Knoll AOK Federal 4H, Supply oil and gas daily production volumes with gravity and BTU information as required. APPROVAL TO COMMINGLE CONTINGENT ON GRAVITY AND BTU REVIEW.**
12. **Submit updated facility diagram with gas and oil meter identification numbers upon completion of Knoll AOK Federal 4H.**

**The public's interest in this lease and its pools has been found to be identical at 12.5%. Therefore, this commingle is being approved. This does not mean that the allocation of production to each well will be 100% accurate each month. By approving this request it will only guarantee that the public's interest will not be compromised.**