

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Reese Fullerton

Deputy Cabinet Secretary

Division Director Oil Conservation Division



Administrative Order PLC-310-A January 6, 2009

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Attention: Mayte Reves

JAN 2 1 2009 OCD-ARTESIA

Yates Petroleum Corporation ("Yates") is hereby authorized to surface commingle gas production from the following Pools:

Cedar Canvon-Boné Spring Pool (11520) Malaga-Delaware Pool (42940) Pierce Crossing-Bone Spring Pool (50371)

and from the following four diversely owned wells located on Federal lease(s) in Eddy County, New Mexico:

Juniper BIP Federal Well No. 5 (API 30-015-28577) Unit F, Sec 4, T24S, R29E, NMPM 40 acre dedication: Cedar Canyon-Bone Spring Pool 40 acre dedication: Malaga-Delaware Pool (DHC-3961)

Knoll AOK Federal Well No. 1 (API 30-015-28127) Unit G, Sec 3, T24S, R29E, NMPM 40 acre dedication: Cedar Canyon-Bone Spring Pool

Knoll AOK Federal Well No. 2H (API 30-015-35108) Units A-D, Sec 3, T24S, R29E, NMPM 320 acre dedication: Cedar Canyon-Bone Spring Pool

Knoll AOK Federal Well No. 3H (API 30-015-35907) Units H-E, Sec 3, T24S, R29E, NMPM 320 acre dedication: Cedar Canyon-Bone Spring Pool

Each of these diversely owned wells shall be equipped with allocation meters on gas prior to commingling for sales. The gas sales point for this commingled production shall be located at the Vision Energy Inc. CDP in the S/2 of Section 3 (Units J. K. or N). Gas is approved for off lease measurement and sales after being metered on-lease. Oil is not approved for commingling.

It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.



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This order is approved as of the date shown above.

This order supersedes order No. PLC-310 issued on June 9, 2008.

MARK E. FESMIRE, P.E., Division Director

MEF/tw

cc: Oil Conservation Division - Artesia

Bureau of Land Management - Carlsbad