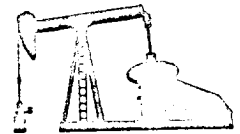


OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. DRAWER DD - ARTESIA
88210



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

September 22, 1977

Yates Petroleum Corporation
207 South 4th Street
Artesia, NM

Artesia District Office
Administrative Order No. DHC II-4

Gentlemen:

In accordance with the provisions of Commission Order No. R-5460 approval is hereby granted for the downhole commingling of the Wolfcamp and Strawn zones within the well-bore of your Gossett EU #1-K, Sec. 26-T17S-R25E.

Allocation of production from the well shall be on the following basis:

Eagle Creek Permo-Penn Gas Pool = 37% of gas and 24% of condensate
Eagle Creek-Strawn Gas Pool = 63% of gas and 76% of condensate

Pursuant to said order No. R-5460, the commingling authority granted by this order may be rescinded by the Secretary Director if, in his opinion, waste or reservoir damage is resulting thereby, or if any change of conditions render the installation no longer eligible for downhole commingling.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "W. A. Gressett".

W. A. Gressett
Supervisor, District II

WAG:jw

Xc: OCC Santa Fe, NM
Attn: Mr. Stamets
Transporters TWP & NCO