

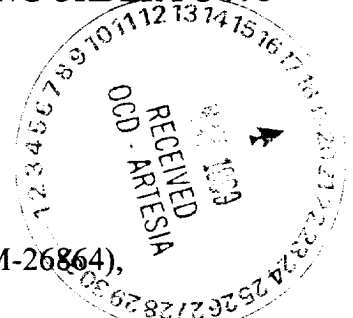


NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER PC-998

Yates Petroleum Corporation
105 South Forth Street
Artesia, New Mexico 88210
Attention: Ms. Pamela Harris



LEASE: Roden GD Federal Com Lease (Federal Lease No. NM-26864),
Wells No. 1, 3 and 5
DESCRIPTION: NE/4 SE/4 of Section 23, and SE/4 NW/4 and SE/4 SW/4 of Section 24,
Township 19 South, Range 24 East, NMPM,
Eddy County, New Mexico.

The above-named company is hereby authorized to commingle Dagger Draw Upper Penn, North (15472), Hoag Tank-Strawn Gas (78570) and Hoag Tank-Morrow Gas (78560) Pool production from the above mentioned lease and to determine production from each pool by separately metering each well.

FURTHER: The operator shall notify the Artesia District Office of the Division upon implementation of the commingling process.

REMARKS: 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." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: Commingled production shall be stored in the Roden GD Federal Com Well No. 3 tank battery facility located in SE/4 NW/4 (Unit F), Section 24, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

NOTE: Validation of this authority shall be accomplished with like approval by the Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 14th day of May, 1999.


LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division- Artesia /
Bureau of Land Management - Carlsbad