State of New Mexico Energy, Minerals and Natural Resources Department

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David Martin
Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Brett F. Woods, Ph.D. Deputy Cabinet Secretary

ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-703 Administrative Application Reference No. pMAM1408332002

April 24, 2014

Yates Petroleum Corporation Attention: Miriam Morales

Yates Petroleum Corporation (OGRID 25575) is hereby authorized to surface commingle oil and gas production from Berry; Bone Spring, North (5535) from the following leases and wells:

Name	API No.	Footages	ULSTR
Avocado BRO State Well No.1H	30-025-40472	150 FNL & 660 FWL	D-32-20-35E
Guava BRU State Well No. No.1H	30-025-40514	2210 FNL & 28 FEL	H-31-20-35E

All in NMPM, Lea County, New Mexico

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Avocado BRO State Well No.1H central tank battery (CTB), located in Unit D, Section 32, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico.

The oil production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This approval is subject to like approval from the New Mexico State Land Office (SLO) before commencing commingling operations.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

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Done at Santa Fe, New Mexico, on April 24, 2014.

Jami Bailey

Division Director

JB/mam

cc: Oil Conservation Division - Hobbs

New Mexico State Land Office-Oil, Gas and Minerals