

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

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Cabinet Secretary

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Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-696-A
Administrative Application Reference No. pMAM1419559993

August 4, 2014

YATES PETROLEUM CORPORATION
Attention: Miriam Morales

Yates Petroleum Corporation requests an amendment to Division Order No. CTB-696 to add the Ross EG Federal Well No. 4 well to the existing order. This request is approved, and Yates Petroleum Corporation (OGRID 25575) is hereby authorized to surface commingle oil and gas production from North Seven Rivers; Glorieta-Yeso (97565), and from the following leases and wells:

| <u>Name</u> | <u>API No.</u> | <u>Footages</u> | <u>ULSTR</u> |
|----------------------------|----------------|--------------------|--------------|
| Ross EG Federal Well No. 3 | 30-015-25903 | 660 FNL & 660 FWL | D-20-19S-25E |
| Ross EG Federal Well No. 8 | 30-015-26948 | 1980 FSL & 660 FWL | L-20-19S-25E |
| Ross EG Federal Well No. 4 | 30-015-26770 | 1980 FNL & 660 FWL | E-20-19S-25E |

All in NMPM, Eddy County, New Mexico

The commingled oil production from the wells detailed above shall be measured and sold at the Ross EG Federal Well No. 3 central tank battery (CTB), located in Unit D, Section 20, Township 19 South, Range 25 East, NMPM, Eddy 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.

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

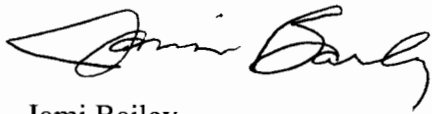
This order supersedes Order No. CTB 696, issued April 14, 2014.

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

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DONE at Santa Fe, New Mexico, on August 4, 2014

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Division Director

JB/mam

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