

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

Jami Bailey, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-726
Administrative Application Reference No. pMAM1420557071

August 13, 2014

Yates Petroleum Corporation
Attention: Miriam Morales

Yates Petroleum Corporation (OGRID 25575) is hereby authorized to surface commingle oil production from Parkway; Bone Spring (49622) from the following leases and wells:

<u>Name</u>	<u>API No.</u>	<u>Footages</u>
<u>ULSTR</u>		
Nucleus BGN Federal Com Well No.1H E-31-19S-30E	30-015-39241	1750 FNL & 330 FWL
Focus "BDB" Federal Com Well No.1H 1-31-19S-30E	30-015-39421	560 FNL & 330 FWL

All in NMPM, Eddy County, New Mexico

The commingled oil production from the wells detailed above shall be measured and sold at the Nucleus BGN Federal Com Well No.1H central tank battery (CTB), located in Unit E of Section 31, Township 19 South, Range 30 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 approval is subject to like approval from the Bureau of Land Management (BLM) before commencing commingling operations.

August 13, 2014

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Done at Santa Fe, New Mexico, on August 13, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is stylized with a large, sweeping initial "J" and a cursive "Bailey".

Jami Bailey
Division Director

JB/mam

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