

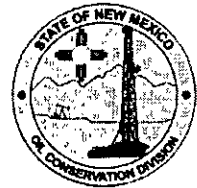
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order DHC-4615
Order Date: May 7, 2013
Application Reference Number: pPRG1311257903

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Attention: Margrethe Hotter

Upright BFU State Com Well No. 1
API No: 30-005-63698
Unit H, Section 30, Township 10 South, Range 26 East, NMPM

Pool	PECOS SLOPE ABO	Gas	82730
Names:	FOOR RANCH, PRE-PERMIAN	Gas	76730

Reference is made to your recent application for an exception to 19.15.12.9A NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A NMAC, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the production information provided in application, assignment of allowable and allocation of production from the well shall be as follows:

PECOS SLOPE ABO GAS POOL	Pct Gas: 10	Pct Oil: 0
FOOR RANCH; PRE-PERMIAN GAS POOL	Pct Gas: 90	Pct Oil: 0

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.

Pursuant to 19.15.12.11B NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

A handwritten signature in black ink, appearing to read "Jami Bailey", is written over a horizontal line.

JAMI BAILEY
Director

JB/pg

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division