



New Mexico Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Administrative Order OLM-48

May 28, 2011

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Attention: Mayte Reyes

Yates Petroleum Corporation ("Yates") has made application for "Off Lease Measurement and Storage Prior to Measurement" as required in 19.15.23.9 NMAC, provided notice to working interest owners and to the U.S. Bureau of Land Management and no objections have been received. Yates is hereby authorized to transport, measure, and sell gas production off-lease from the following well which is currently producing from the Wildcat; Bone Spring Oil Pool in Lea County, New Mexico:

Renegade BPG Federal Well No. 1H (API 30-025-39768)
SHL and surface separation facilities: Unit Letter D, Sec 18, T26S, R35E, NMPM,
BHL: Unit Letter A, Sec 18, T26S, R35E, NMPM,
Oil Spacing and Proration Unit: N/2 N/2 Sec 18
Federal Lease NM-104706

The gas production from this well is approved for off-lease measurement and sales through a sales gas meter located in Unit Letter O, Sec 7, T26S, R35E, NMPM, Lea County, New Mexico.

The surface commingling of oil and gas production from this well or the transportation and sales off-lease of oil production is not authorized by the granting of this permit.

The operator shall notify the US. BLM and the Hobbs district office of the Division before commencement of Off-Lease Measurements.

Jami Bailey
Division Director

JB/wvjj

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

