

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No
NM-82902
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit or CA/Agreement, Name and/or No

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other PA

8 Well Name and No

2. Name of Operator

Yates Petroleum Corporation

Domino AOJ Federal #11H

3a. Address

105 S. 4th St., Artesia, NM 88210

3b Phone No. (include area code)

575-748-1471

9 API Well No

30-015-38384

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1650' FNL & 330' FWL Sec. 8-T19S-R31E Unit E, SWNW Surface

10 Field and Pool or Exploratory Area

Hackberry; Bone Spring, north

1981' FNL & 360' FEL Sec. 8-T19S-R31E Unit H, SENE Bottom

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

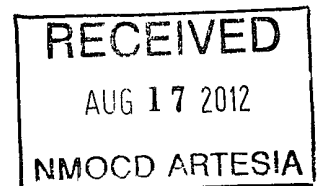
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Surface/CA</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Lease Commingle</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA Required subsequent reports must be filed within 30 days following completion of the involved operations If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection

Yates Petroleum respectfully requests approval to Surface/Lease Commingle on the following wells:

Domino AOJ Federal Com #9H
Sec. 8-T19S-R31E
Hackberry; Bone Spring, north
Fed. Lease #NM-94614, NM-#82902 & CA #NM-125005
API #30-15-35804
Eddy County, NM

Domino AOJ Federal Com #10H
Sec. 8-T19S-R31E
Hackberry; Bone Spring, north
Fed. Lease #NM-94614, NM- #82902 & CA #NM-127354
API #30-015-38385
Eddy County, NM



Please see continuation attached

Accepted for record SEE ATTACHED FOR
NMOCD CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Miriam Morales
Title Production Analyst
Signature [Signature] Date 8/2/12 (re-submitted)

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /s/ JD Whitlock Jr Title LPE7 Date 8/15/12
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office (FO)

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Continuation on Surface/Lease Commingle for Domino AOJ Federal #11H

Domino AOJ Federal #11H
Sec. 8-T19S-R31E
Hackberry; Bone Spring, north
Fed. Lease #NM-82902
API #30-015-38384
Eddy County, NM

Domino AOJ Federal Com #12H
Sec. 8-T19S-R31E
Hackberry; Bone Spring, north
Fed. Lease #NM-124660, #NM-82902, & CA #NM-128078
API #30-015-38386
Eddy County, NM

The battery is located at the Domino #9H. Please see attached plats and site security diagram.

Identical ownership under different Comm. Agreements. All owners were notified and documentation is attached.

Oil Measurements

Each of the wells will be equipped with continuous metering separators for oil production prior to oil being commingled for sales at the Domino AOJ Federal Com #9H. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to total battery volumes daily and monthly for accuracy.

Estimated daily production for the Domino #9H is 102 bbls, for the Domino #10H is 60 bbls, for the Domino #11H is 230 bbls, and for the Domino #12H is 390 bbls. Average gravity is 39.6.

Gas Measurements

Domino #9H & #10H wells will be equipped with allocation meters prior to commingling and the BLM point for this commingled production is at the Agave CDP meter #14114 located at the Domino #9H Sec. 8 T-19S-R31E.

Estimated daily production for the Domino #9H is 173 MCF and for the Domino #10H is 24 MCF and 1426 BTU.

The purpose of the Surface/lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for each well. This will greatly increase costs and shorten the economic life of the well.

See attached verification process.

Attachment to the Domino AOJ Federal Com #11H Surface/Lease (CA) commingle application

Federal Lease #NM-94614 & NM-82902, CA #NM-125005

<u>Well name</u>	<u>Field/Pool</u>	<u>BOPD</u>	<u>Grav.</u>	<u>MCFPD</u>	<u>BTU</u>
Domino AOJ Federal Com #9H Sec. 8-T19S-R31E API #30-015-35804 Eddy County, NM	Hackberry; Bone Spring, N	102	38.0	173	1363

Federal Lease #NM-94614 & NM-82902, CA #NM-127354

<u>Well name</u>	<u>Field/Pool</u>	<u>BOPD</u>	<u>Grav.</u>	<u>MCFPD</u>	<u>BTU</u>
Domino AOJ Federal Com #10H Sec. 8-T19S-R31E API #30-015-38385 Eddy County, NM	Hackberry; Bone Spring, N	60	39.0	24	1490

Federal Lease #NM-82902

<u>Well name</u>	<u>Field/Pool</u>	<u>BOPD</u>	<u>Grav.</u>
Domino AOJ Federal Com #11H Sec. 8-T19S-R31E API #30-015-38384 Eddy County, NM	Hackberry; Bone Spring, N	230	38.2

Federal Lease #NM-124660 & NM-82902, CA #128078

<u>Well name</u>	<u>Field/Pool</u>	<u>BOPD</u>	<u>Grav.</u>
Domino AOJ Federal Com #12H Sec. 8-T19S-R31E API #30-015-38386 Eddy County, NM	Hackberry; Bone Spring, N	390	38.8

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S. P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

JOHN A. YATES
CHAIRMAN OF THE BOARD

JOHN A. YATES JR.
PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

JORGE S. MENDOZA
CHIEF ADMINISTRATIVE OFFICER

Procedure to verify accuracy of turbine allocation meters:

- 1) After the initial install of the turbine allocation meter, production fluid from the well associated to said meter is flowed through the meter and into a sales tank.
- 2) The sales tank is then gauged and the calculated volume is compared to the metered volume.
- 3) If needed, corrections to the meter's calibration factor are made to ensure that metered volumes correspond to the measured volumes from the gauged tank.
- 4) This process is repeated periodically or as needed, determined from the lease operator's daily comparison of total allocation meter readings to gauged tank volumes.

Note: Turbine allocation meters are locked to prevent unwanted tampering of the meter calibration factor.

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 15, 2009

Submit one copy to appropriate

District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-35804	² Pool Code 96403 97046	³ Pool Name HACKBERRY Wildcat; Bone Spring, NORTH
⁴ Property Code 22903	⁵ Property Name Domino AOJ Federal Com	⁶ Well Number 9H
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3458'GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	8	19S	31E		660	South	660	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	8	19S	31E		530	South	4888	West	Eddy

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature Date August 10, 2010 Tina Huerta Printed Name			
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor.			
	Certificate Number			

District I

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate

District Office

☒ **AMENDED REPORT****WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-015-38385	² Pool Code 97056	³ Pool Name Hackberry; Bone Spring, North
⁴ Property Code 22903	⁵ Property Name Domino AOJ Federal Com	⁶ Well Number 10H
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3478'GL

¹⁰ Surface Location

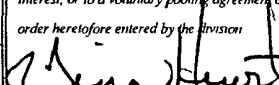
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	8	19S	31E		2080	South	330	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	8	19S	31E		1970	South	362	East	Eddy

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ <div style="text-align: center; border: 2px solid black; padding: 5px; transform: rotate(-5deg);"> RECEIVED AUG 24 2011 NMOCD ARTESIA </div>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division. <div style="text-align: right;">  August 23, 2011 Signature Date </div> <div> Tina Huerta Printed Name </div> <div> tinah@yatespetroleum.com E-mail Address </div>		
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. <div> Date of Survey Signature and Seal of Professional Surveyor </div> <div> Certificate Number </div>		

330'W Surface

BHL

362'E

2080'S

1970'S

<div data-bbox="118 944 1008 1419"><div>16</div><div>N. 1650' W</div><div>Surface</div><div>330' W</div><div>BHL</div><div>N. 1861'</div><div>360' E</div></div>	<div data-bbox="1008 944 1458 1419"><div>17</div><div>OPERATOR CERTIFICATION</div><div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or leased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</div><div><div><div>Tina Huerta</div><div>October 31, 2011</div></div><div>SignatureDate</div><div>Tina Huerta</div><div>Printed Name</div><div>tinah@vatespetroleum.com</div><div>E-mail Address</div></div></div>
<div data-bbox="118 1419 1008 1893"><div>RECEIVED</div><div>NOV 2 2011</div><div>NMOCD ARTESIA</div></div>	<div data-bbox="1008 1419 1458 1893"><div>18</div><div>SURVEYOR CERTIFICATION</div><div>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief</div><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor</div><div>Certificate Number</div></div>

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1001 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 18, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-38386	Pool Code 97056	Pool Name HACKERBERRY Undesignated Bone Spring, NORTH
Property Code	Property Name DOMINO "AOJ" FEDERAL COM	Well Number 12H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3505'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	8	19 S	31 E		660	NORTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	8	19 S	31 E		660	NORTH	330	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

Penetration Point 660' FNL & 807' FWL

SURFACE LOCATION
Lat - N 32°40'49.30"
Long - W 103°53'56.57"
NMSPCE- N 611519.932
E 674957.631
(NAD-83)

Producing Zone

Project Area

PROPOSED BOTTOM HOLE LOCATION
Lat - N 32°40'49.41"
Long - W 103°53'02.53"
NMSPCE- N 611550.494
E 679577.037
(NAD-83)

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cliff May
Signature Date **May 11/5/10**

Clifton May
Printed Name

cliff@yatespetroleum.com
Email Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

GARY L. JONES
Date Surveyed **SEP 2010**

GARY L. JONES
Signature & Seal of Professional Surveyor

Certificate No. **Gary L. Jones 7977**

BASIN SURVEYS 23340

RECEIVED
DEC 29 2010
NMOCD ARTESIA

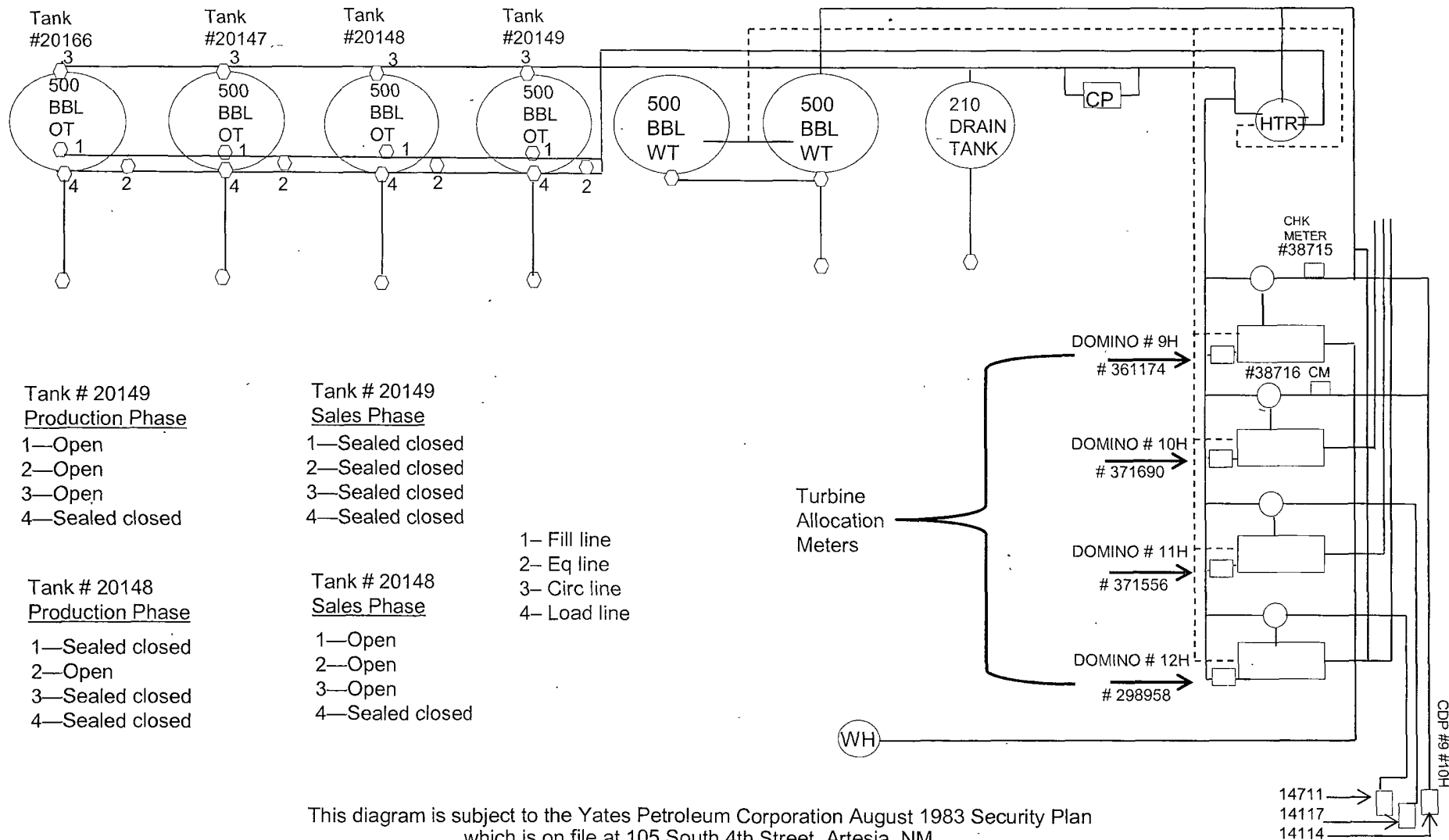


105 South 4th Street * Artesia, NM 88210
(575)-748-1471

-Joe Palma Foreman
June, 2012

Domino AOJ # 9H Battery

660' FSL & 660' FWL * Sec8 - T19S R31E * Unit M
Eddy County, NM
API - 3001535804



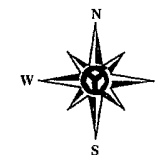
This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan
which is on file at 105 South 4th Street, Artesia, NM

6

5



105 SOUTH FOURTH (575) 748-1471
ARTESIA, NEW MEXICO 88210



LEGEND

— GPS ROADS

○ OIL WELL

☒ BATTERY

— FLOW LINE YATES

TOWNSHIP AND RANGE
T19S R31E

SECTION	FOOTAGE
8	

DRAWN BY: JAH

DATE DRAWN 05-22-12

COUNTY EDDY

STATE: NEW MEXICO

SHEET NUMBER 1 OF 1

SCALE: 1" = 1/4 MILE

THIS MAP HAS BEEN CAREFULLY
COMPILED AND PRINTED BY YATES
PETROLEUM CORPORATION FROM
AVAILABLE INFORMATION. YATES
PETROLEUM CORPORATION DOES NOT
GUARANTEE THE ACCURACY OF THIS
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NOR DOES YATES PETROLEUM
CORPORATION ASSUME
RESPONSIBILITY FOR ANY RELIANCE
THEREON. RECIPIENT AGREES NOT TO
COPY, DISTRIBUTE OR DIGITIZE THIS
MAP WITHOUT EXPRESS CONSENT
FROM YATES PETROLEUM
CORPORATION OR ITS AFFILIATES.

DOMINO
AOJ #12H

DOMINO
AOJ #11H

DOMINO
AOJ #10H

DOMINO
#9H

2 7/8" STEEL
2 7/8" STEEL
2 7/8" STEEL
2 7/8" STEEL



TITLE:

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S P YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

JOHN A. YATES
CHAIRMAN OF THE BOARD

JOHN A. YATES JR.
PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

JORGE S. MENDOZA
CHIEF ADMINISTRATIVE OFFICER

August 2, 2012

RE: Surface Lease (CA) Commingle oil only
Domino AOJ Federal #11H
Eddy County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of a Surface Lease (CA) Commingle oil only on the following wells:

Domino AOJ Federal Com #9H
Sec 8-T19S-R31E
Hackberry, Bone Spring, north
Fed. Lease #NM-94614, NM-#82902 & CA #NM-125005
API #30-15-35804
Eddy County, NM

Domino AOJ Federal Com #10H
Sec 8-T19S-R31E
Hackberry, Bone Spring, north
Fed. Lease #NM-94614, NM- #82902 & CA #NM-127354
API #30-015-38385
Eddy County, NM

Domino AOJ Federal #11H
Sec. 8-T19S-R31E
Hackberry, Bone Spring, north
Fed. Lease #NM-82902
API #30-015-38384
Eddy County, NM

Domino AOJ Federal Com #12H
Sec 8-T19S-R31E
Hackberry, Bone Spring, north
Fed. Lease #NM-124660, #NM-82902, & CA #NM-128078
API #30-015-38386
Eddy County, NM

The battery is located at the Domino #9H.
Identical ownership under different Commingle Agreements.

Oil Measurements

Each of the wells will be equipped with continuous metering separators for oil production prior to oil being commingled for sales at the Domino AOJ Federal Com #9H. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to total battery volumes daily and monthly for accuracy.

Estimated daily production for the Domino #9H is 102 bbls, for the Domino #10H is 60 bbls, for the Domino #11H is 230 bbls, and for the Domino #12H is 390 bbls. Average gravity is 39.6.

Gas Measurements


Domino #9H & #10H wells will be equipped with allocation meters prior to commingling and the BLM point for this commingled production is at the Agave CDP meter #14114 located at the Domino #9H Sec. 8 T-19S-R31E.

Estimated daily production for the Domino #9H is 173 MCF and for the Domino #10H is 24 MCF and 1426 BTU.

The purpose of the Surface/lease Commingle of production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for each well. This will greatly increase costs and shorten the economic life of the well.

If you should have any questions, please give me a call at (575) 748-4200 (direct line).

Sincerely,


Miriam Morales
Production Analyst

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

DEVON ENERGY PRODUCTION CO LP
P O BOX 842485
DALLAS, TX 75284-2485

MYCO INDUSTRIES INC
P O BOX 840
ARTESIA, NEW MEXICO 88211

ABO PETROLEUM CORP
P O BOX 900
ARTESIA, NEW MEXICO

OXY Y-1 COMPANY
P.O. BOX 841803
DALLAS, TX 75284-1803

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Domino AOJ Federal 9H, 10H, 11H & 12H
Yates Petroleum Corporation
August 14, 2012

**Condition of Approval
Commingle on and off lease**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases require additional commingling approvals.

The public's interest in all these leases/CA has been found to be identical at 12.5%. Therefore, this commingle is being approved. This does not mean that the allocation of production to each lease/CA will be 100% accurate each month. By approving this request it will only guarantee that the public's interest will not be compromised.