

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

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Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order DHC-4133

Order Date: 1/9/2009

Application Reference Number: pKAA0900750437

YATES PETROLEUM CORPORATION
105 S 4TH ST,
ARTESIA, NM 88210

JAN 21 2009

OCD-ARTESIA

Attention: MARGRETH HOTTER, AREA ENGINEER 575-748-4165

TOMBSTONE BMB STATE Well No. 001

API No: 30-015-36315

Unit D; Section 12, Township 25 South, Range 29 East, NMPM

Eddy County, New Mexico

Pool: Undesignated NW Corral Canyon; DELAWARE

Oil 96464

Names: PIERCE CROSSING; BONE SPRING, EAST

Oil 96473

Reference is made to your recent application for an exception to Rule 12.9A 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 Rule 12.11A., 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 Division 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The production allocation percentages of oil and gas between these pools shall be supplied to the Division's Santa Fe office within 60 days following completion of this workover.

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



Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.


MARK E. FESMIRE, P.E.
Director

MEF/wvj

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