STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

RECEIVED

May 24, 1990

GARREY CARRUTHERS GOVERNOR

MAY 29 90

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

<... €. D. ARTESIA, OFFICE

Attention: Paul Ragsdale

Dear Mr. Ragsdale:

Reference is made to your request dated May 18, 1990, for authorization to downhole commingle multiple zones within the wellbore of the DeSana Unit Well No. 1 located in Section 17, Township 18 South, Range 24 East, NMPM, Eddy County, New Mexico. After reviewing your application, I find that the proposed commingling does not qualify for administrative approval pursuant to Division Rule No. 303 I have therefore set the application to hearing before (C). a Division Examiner on June 27, 1990. If you do not wish to pursue the proposed commingling please advise.

If you have any questions, please contact myself at (505) 827-5800.

Sincerely,

David Catanach Engineer

xc: OCD-Artesia