

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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June 29, 1990

RECEIVED

JUL 2 '90

C. J. YATES
ARTESIA, OFFICE

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

ATTN: David Catanach

RE: DeSana Unit #1
Sec 17-T18S-R24
Eddy County, NM

Dear Mr. Catanach:

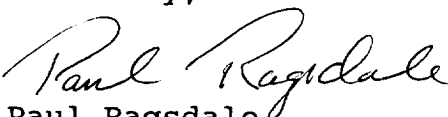
A request has been made by Yates Petroleum to commingle multiple zones in the wellbore of the referenced DeSana Unit #1 in a letter dated May 11, 1990. A hearing was set for June 27, which was postponed by Yates. At this time we do not wish to pursue the proposed commingling hearing.

Therefore, we propose to temporarily abandon all of the zones except the Wolfcamp zone from 5436 to 5879 feet by setting a retrievable bridge plug at 6000 feet to isolate the Cisco-Canyon and Strawn formations and a bridge plug at 7700 feet to isolate the Atoka-Morrow formations. The Wolfcamp will be produced through tubing with a packer set at 5394 feet.

It is our intention to test the Wolfcamp's producing capability. If the production is economic permanent bridge plugs will replace the retrievable bridge plugs.

If this proposal is satisfactory please notify me. If you need further information please contact me.

Sincerely,


Paul Ragsdale
Engineer

PR/cvg

xc: Rob Bullock
NMOCD - Artesia