



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

July 10, 1990

GARREY CARRUTHERS
GOVERNOR

RECEIVED

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

JUL 11 '90

C. C. D.
ARTESIA, OFFICE

Attention: Paul Ragsdale

Dear Mr. Ragsdale:

Reference is made to your request dated June 29, 1990, for authorization to temporarily abandon various non-productive 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, for a period of approximately 180 days in order to properly evaluate the productive potential of the Wolfcamp formation. I have reviewed this highly unusual request and have determined that the proposal is feasible and acceptable to the Division with the following exceptions and conditions:

1) In addition to the retrievable bridge plugs set at 6,000 and 7,700 feet, an additional bridge plug shall be set at 7,500 feet to effectively isolate the Cisco-Canyon and Strawn formations.

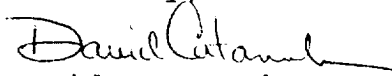
2) By January 1, 1991, Yates shall either properly plug and abandon the subject well or permanently plug and abandon those zones which are non-productive in the well.

3) Prior to conducting any plugging work as described above, Yates shall consult with the supervisor of the Artesia district office of the Division in order to determine the proper method to permanently abandon such non-productive zones or the entire wellbore.

4) No time extensions on which to complete the work as described above will be authorized by the Division.

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

Sincerely,


David Catanach
Engineer

xc: OCD-Artesia