



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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APR 18 '90

GARREY CARRUTHERS
GOVERNOR

O. C. D. POST OFFICE BOX 2088
ARTESIA, OFFICE STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 17, 1990

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Attention: Paul Ragsdale, Petroleum Engineer

*RE: Zia "ZS" Federal Com Well No. 1, Application for
Dual Completion, 14-T20S-R29E, Strawn and
Morrow formations, Eddy County, New Mexico.*

Dear Mr. Ragsdale:

We are in receipt of your application to dually complete the subject well in the Strawn and Morrow formations; however, before I can act on this matter, several questions concerning the previous directional drilling authorization Order DD-32 must be addressed.

- 1) What is the subsurface location of the perforated interval for both zones;
- 2) Will DD-32 need to be amended to show an unorthodox subsurface location for the Strawn interval;
- 3) Does the Morrow interval meet the 50 foot radius requirement as set forth in DD-32;
- 4) Please submit additional test data for Morrow production showing its liquid content if any; and
- 5) As stated in the subject application, please submit pressure information from both intervals.