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



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210 TELEPHONE (505) 748-1471

April 25, 1990

S. P. VATES CHAIRMAN OF THE BOARD JOHN A. YATES PRESIDENT PEYTON VATES EXECUTIVE VICE PRESIDENT RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY TREASURER

RECEIVED

APR 27 '90

O. C. D.

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

ATTN: Michael E. Stogner

Re: Zia "ZS" Fed Com No. 1 Dual Completion Eddy County, NM

Dear Mr. Stogner:

Pursuant to your request of April 17, 1990 to furnish more information before any action can be taken to dual complete the referenced well in the the Morrow and the Strawn formations the following is submitted for your approval.

- 1. What is the subsurface location of the perforated interval for both zones? Morrow zone: 12,202' to 12,432' (measured depth) 2172 FNL & 1799 FEL Sec 14-T20S-R29E Strawn Zone: 11,127' to 11,290' (measured depth) 1840 FNL & 1763 FEL Sec 14-T20S-R29E
- Will DD-32 need to be amended to show an unorthodox subsurface location for the Strawn interval? Based on a 320 acre proration unit consisting of the east half of Section 14, the location is unorthodox and DD-32 will need to be amended.
- 3. Does the Morrow interval meet the 50 foot radius requirement as set forth in DD-32? No, the bottom hole location at 12785 feet (measured depth) is 2377 FNL and 1823 FEL in Sec 14-20S-R29E. The target site was 2480 FNL & 1980 FEL Sec 14-20S-R29E. Therefore, the "bottom" is 187 feet from the target site. However, the subsurface location of the Morrow interval is orthodox on a 320 acre proration unit.