



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

OCT 26 '90

O. C. D.  
ARTESIA, OFFICE

GARREY CARRUTHERS  
GOVERNOR

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

October 22, 1990

Yates Energy Corporation  
P.O. Box 2323  
Roswell, NM 88202

Attention: Sharon R. Hamilton

*RE: Desert Rose Federal Well No. 1, 1740' FSL - 660' FEL  
(Unit I), Section 27, Township 23 South, Range 23 East,  
NMPM, Eddy County, New Mexico.*

Dear Ms. Hamilton:

Subsequent to our telephone conversation on Friday afternoon, October 19, 1990, I reviewed your application for dual completion of Bandana Point Strawn Gas Pool and Undesignated East Hess Morrow Gas Pool production in the subject well. Our 1990 production records (C-115s) for this well indicate the following:

<i>Month</i>	<i>Producing Days</i>	<i>Gas - MCF</i>	<i>Water- Barrels</i>	<i>Condensate - Barrels</i>	<i>Rate of Liquids Production- Barrels/day</i>
January	31	49,344	27	147	5.6
February	28	0	15	58	2.6
March	5	5,911	3	10	2.6
April	6	10,327	2	33	5.8
May	5	5,351	1	2	0.6
June	6	6,916	3	21	4.0
July	5	4,685	1	6	1.4
August	0	0	0	0	-----