

October 11, 1990

Bureau of Land Management P. O. Box 1778 Carlsbad, New Mexico 88220

Attention: Shannon Shaw

Re: Application of Yates Energy Corporation for N.M.O.C.D. administrative approval of the Desert Rose Federal #1 1740' FSL & 660' FEL Section 27-23S-23E Eddy County, NM

Gentlemen:

Please be advised that Yates Energy Corporation will be requesting administrative approval from the New Mexico Oil Conservation Division to dual complete the captioned well in the Strawn and Morrow formations. The Strawn formation is currently producing, with the Morrow completed behind pipe.

Yates Energy Corporation will be submitting a Sundry Notice with the proposed procedure to your office for approval in the near future. A copy of our request to the N.M.O.C.D. will also be provided to your office when complete.

Please advise should you require any additional information.

Yours very truly,

YATES ENERGY CORPORATION

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Sharon R. Hamilton Landman

SRH/jj CERTIFIED MAIL RETURN RECEIPT REQUESTED