



OXY U.S.A., Inc.  
P. O. Box 50250  
Midland, Texas 79710

Attention: Richard E. Foppiano  
Regulatory Affairs Advisor

October 10, 1990

**VIA FAX (915) 685-5635**

Re: Application of Yates Energy  
Corporation for NMOCD administrative  
approval for dual completion of the  
Desert Rose Federal #1  
1740' FSL & 660' FEL  
Section 27-23S-23E  
Eddy County, NM

Dear Mr. Foppiano:

Please be advised that Yates Energy Corporation will be requesting from the New Mexico Oil Conservation Division administrative approval to dual complete the captioned well in the Strawn and Morrow formations. The Strawn formation is currently producing, with the Morrow completed behind pipe. This letter shall serve as notification to you, as an offset operator, of the proposed dual completion.

We would request that you notify us whether or not you will protest said dual completion. If you do not intend to protest said procedure, enclosed you will find a waiver whereby you can make that decision known, and if you will return said waiver to us, we will file it with the New Mexico Oil Conservation Division.

Your cooperation and prompt attention is greatly appreciated.

Yours very truly,

YATES ENERGY CORPORATION

Sharon R. Hamilton  
Landman

SRH/jj

Enclosure

**CERTIFIED MAIL/RETURN RECEIPT REQUESTED**