

New Mexico Oil Conservation Division
David R. Catanach
October 15, 1990
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Attachment "F" is a 24 hour productivity test for the Strawn zone submitted on Division Form C-116. Upon completion of the dual attempt, this test will be taken on each zone and the C-116 submitted to the NMOCD.

Attachment "G" is a plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases. Please be advised that the production in the Strawn and Morrow zones is commonly owned.

Attachment "H" are copies of correspondence sent to the only offset operator (OXY U.S.A., Inc.) and the United States Bureau of Land Management notifying them in writing of the proposed dual completion.

It is our opinion that approval of this request will prevent waste and protect correlative rights.

Yates Energy Corporation is greatly concerned that drainage damage will occur to the captioned property when the recently completed OXY U.S.A., Inc. Federal "AK" #1 well located 660' FNL & 1450' FEL of Section 34-23S-23E commences production at an estimated rate of 4,000 MCFGPD. Therefore, your immediate attention and approval of this request is appreciated. Should additional information be required, please contact the undersigned.

Yours very truly,

YATES ENERGY CORPORATION

A handwritten signature in cursive script, appearing to read "Sharon R. Hamilton".

Sharon R. Hamilton
Landman

SRH/jj
Enclosures
cc: 2 copies OCD
Artesia, NM

1 copy BLM
Carlsbad, NM