



October 15, 1990

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New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

O. C. D.  
ARTS & OFFICE

Attention: David R. Catanach

Re: Desert Rose Federal #1  
1740' FSL & 660' FEL  
Section 27-23S-23E  
Eddy County, NM

Gentlemen:

Administrative approval for dual completion of the referenced well is hereby respectfully requested. Plans for completion of the well are to produce dry sweet gas from the Morrow perforations from 9,880' - 9,900', 9,975' - 77', 9,986' - 92', 10,010' - 16' and 10,027' - 28' up the 2 3/8" tubing and to produce the Strawn dry sweet gas from the perforations from 8,772' - 8,790' and 8,808' - 8,816' up the 4 1/2" casing annulus. The two producing intervals will be isolated from each other with a packer. Well bore diagrammatic sketches of the before and after installation procedure are attached (Attachment "A" and "A-1").

The well is currently producing from the Strawn intervals 8,772'-8,790' and 8,808' - 8,816'. A Baker Lok-set packer is currently set at 9,850', with a retrievable bridge plug set at 9,206', isolating the Strawn from the Morrow. The Morrow was originally perforated and treated in the "A" zone 9,880' - 9,900' and "C & D" zones 9,975' - 77', 9,986' - 92', 10,010' - 16' and 10,027' - 28', however, production from the Morrow zones was marginal and have not been produced. A copy of the original Well Completion Report is submitted as Attachment "B", with copies of the Strawn and Morrow zones electric logs.

Attachment "C" is our proposed Dual Completion Procedure. We propose to kill the Strawn and remove the bridge plug, then install a single string completion assembly to permit dual production, as per Attachment "A-1".

Attachment "D" is a copy of the bottom hole pressure report on the Strawn zone dated 4/23/90 and bottom hole pressure report on the Morrow Zone taken during a DST. Upon completion of the dual attempt, this report will be accurately measured in each zone and submitted to the NMOCD.

Attachment "E" is a production decline curve for the Strawn zone.