

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

BRUCE KING

OIL CONSERVATION DIVISION ARTESIA DISTRICT OFFICE

P.O. DRAWER DD ARTESIA, NEW MEXICO 88211 (505) 748-1283

September 15, 1993

Yates Energy Corp. P.O. Box 2323 Roswell, NM 88202-2323

Re: Packer Leakage Test Failure Desert Rose Fed #1 I-27-235-23E

According to our enterpretation the test chart on the subject well indicates a leak.

The leak needs to be repaired within the next thirty (30) days.

Please notify this office 24 hours prior to commencing repair work. If you have any questions please feel free to contact me at this office.

Si

Ray Stith Oil & Gas Inspector

RS:br