



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONY ANAYA  
GOVERNOR

June 4, 1985

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88240  
(505) 393-6161

Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico  
85701

Attention: R. L. Stamets, Director

Subject: Application of Cities Service Oil & Gas Corporation -  
Case #8624

Dear Mr. Stamets:

Last April, Jerry Sexton and I met with Jane Barton of Cities Service. At this meeting, Jane Barton presented geologic and production data which indicated that the Cities Service Federal AA #1 well located in Unit B, Section 9, Township 18-S, Range 33-E is producing from a separate reservoir.

I agree with this interpretation and support their application for a new pool and discovery allowable.

Very truly yours,

  
Paul F. Kautz  
Geologist III

PK:bw

