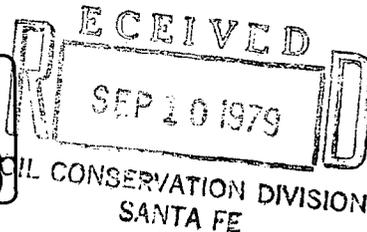


CITIES SERVICE COMPANY
ENERGY RESOURCES GROUP



Box 1919
Midland, Texas 79702
(915) 684-7131

September 6, 1979

New Mexico Oil Conservation Comm.
Box 2088
Santa Fe, NM 87501
Attn: Mr. Joe D. Ramey

*NSL - 1074
Order R-3134-A
Maljamar Pool
Immediate*

Re: Request for administrative approval to drill Southeast Maljamar Grayburg-San Andres Unit Tract #5, Well #7.

Gentlemen:

Cities Service Company, as operator of the Southeast Maljamar Grayburg-San Andres Unit, a secondary recovery project, respectfully requests administrative approval, as authorized by Case No. 4750, Order No. R-3134-A, to drill Tract #5, Well #7, located 2615' from the North line and 2615' from the East line of Section 29, Township 17S, Range 33E, Lea County, New Mexico. The estimated total depth is 4380', the proposed perforations are between 4180', & 4330'. and the proposed casing program is shown below:

| Hole Size | Csg Size | Weight/Foot | Setting Depth | Cmt | Estimated Top of Cmt |
|-----------|------------|-------------|---------------|---------|----------------------|
| 12 1/4" | 8-5/8" | 24# | 1300' | 650 sx | Circulated |
| 7-7/8" | 5 1/2" | 15.5# | 3980' | 2000 sx | 2400' |
| 4-5/8" | 4" (LINER) | 9.5# | 3780-4380' | 75 sx | 3780' |

Tract #5, Well #4, an oil well is presently located in Unit G, the 40 acres assigned to this well. This well will be shut in and converted to a water injection well and will not be produced when Tract #5, Well #7, is completed.

Thank you for your consideration of our request. If additional information is desired please advise.

Very truly yours,

E. Y. Wilder
Region Operations Manager
Southwest Region
E & P Division

Robert Swartzberg
EYW:RHS:s1

