CITIES SERVICE OIL AND GAS CORPORATION
P. O. BOX 1919 MIDLAND, TEXAS 79702

(915) 685-5600

October 8, 1986

Mr. R. L. Stamets, Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Case 9034

RE: Request for an Approval of an Unorthodox Location for Cities Service Oil and Gas Corporation's Elkan A Well No. 2, Located 2310'FNL & 990'FWL of Section 25-T13S-R34E, Lea County, New Mexico

Dear Mr. Stamets:

Cities Service Oil and Gas Corporation respectfully requests an approval for an unorthodox location for the above captioned well. This subject drilling location is not an orthodox location as per Case No. 8834, Order No. R-8222, dated May 13, 1986, for the Alston Ranch Upper Pennsylvanian Pool which specifies that a proposed location must be within 150' of the center of a quarter quarter section and this proposed location does not meet with these specified footage requirements. The reasons for our request for the approval of this unorthodox location are based on geologic considerations which are explained in the attachments. Also, please be advised that all of the offset operators and mineral interest owners have been notified of this requested filing by certified mail.

Thank you for your consideration of our request.

Sincerely,

CITIES SERVICE OIL AND GAS CORPORATION

George E. Brown

George E. Brown
Exploitation Manager
Southwest Region
E & P Division

GEB:JME:jme

attachments

cc: New Mexico Oil Conservation Division
District 1 Office
P.O. Box 1980
Hobbs, New Mexico 88240

Attachment

Cities Service Oil and Gas Corporation #2 Elkan A
2310'FNL & 990'FWL of Section 25-T13S-R34E
Lea County, New Mexico

Basis of Geologic Considerations

The Elkan A #2 is a development well in the Alston Ranch Upper Pennsylvanian Pool, being the first offset to the Elkan A #1, which was completed in the Bough Formation on 12-23-85. Additional pay was recently perforated and the well was repotentialed on 9-25-86.

Figure 1 shows the structure on the top of the Bough "C" porosity. The Alston Ranch Upper Pennsylvanian Pool is on a small anticlinal structure with about 30 feet of closure. The Union Oil of California's State 25 #1, located in the SW/4 NE/4 of Section 25, tested the Bough and recovered 1400' Gas, 760' SO&HGCM and 4100' salty sulfur water on a DST (figure 2). This water test, in conjunction with the productive test in the Cities Service Elkan A #1, supports an oil-water contact of about -6930. Subsurface mapping indicates that any standard location in the NW/4 of Section 25 will be outside the closing contour of the sturcture, near the oil-water contact, and will probably be wet. The requested unorthodox location is up-dip on the structure, within the last closing contour, and should encounter productive Bough reservoir.