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SEP 9 1971

CITIES SERVICE OIL COMPANY

O. C. C. ARTESIA, OFFICE

Box 69 Hobbs, New Mexico 88240 Telephone: 505 EX 3-2177

September 7, 1971

New Mexico Oil Conservation Commission Drawer DD Artesia, New Mexico 88210

Attention: Mr. Bill Gressett

Re: Liquid leak at State CJ #1 Tank Battery located in Section 24-20S-26E, Eddy County, New Mexico

Gentlemen:

Cities Service Oil Company experienced a valve leak at the above captioned lease August 27, 1971. This leak was due to the following: The pumper drained water off bottom of stock tank through a 2" drain line to a small pit. When he shut the plug valve off on the back side of the tank the bottom part of the core of the valve broke and did not completely close when the top square indicated it was in a closed position. This allowed 114 barrels of condensate to drain out of the tank. This overflowed the small pit and condensate ran outside the fence. All condensate evaporated or soaked into the ground. The faulty valve has been replaced.

Yours truly,

CITIES SERVICE OIL COMPANY

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E. Y. Wilder District Manager

EYW/CDR/ed