

CITIES SERVICE PETROLEUM COMPANY

BOX 97, 500 BROADMOOR BLDG. HOBBS, NEW MEXICO

January 17, 1963

Oil Conservation Commission State of New Mexico P.O. Box 871 Santa Fe, New Mexico

Attention: Mr. A.L. Porter, Jr.

Gentlemen:

Cities Service Oil Company requests administrative approval of a non-standard gas proration unit of 160 acres consisting of the SW/4, Section 2-T20S-R37E, Lea County, New Mexico, in the Eumont Gas Pool, to be dedicated to the State AR No. 1.

The State AR No. 1 located 1980 PSL, 1980 FWL of Section 2 is presently classified as a gas well in the Eumont Pool with 120 acres dedicated and consisting of the SW, NE, and NW of the SW/4 of Section 2-T20S-R37E Lea County, New Mexico. This was authorized under Administrative Order NSP-527. The SE of the SW/4 of Section 2-T20S-R37E has been dedicated to the State AR No. 2 which was classified as an oil well in the Eumont Pool, but has since been shut in as the GOR exceeds 100,000: 1. It is therefore requested that the entire 160 acres be dedicated to State AR No. 1 and State AR No. 2 will be shut in.

The State AR No. I meets all requirements of Order No. R-1670 and the entire non-standard gas proration unit may be reasonably presumed productive of gas. A plat is attached hereto showing the location of State AR No. I and the proposed non-standard proration unit as outlined in red.

Copies of this application have been sent to the offset operators.

Very truly yours,

CITIES SERVICE OIL COMPANY

E. H. Furrey

District Engineer