CITIES SERVICE OIL COMPANY Box 97 Hobbs, New Mexico

May 17, 1954

Oil Conservation Commission State of New Mexico Santa Fe, New Mexico

> Re: Application to Dually Complete Cities Service Cil Company's State C #3, Eunice Monument Field, Lea County, New Mexico

Gentlemen:

By means of this application Cities Service Oil Company wishes to state the following:

1. That Cities Service Oil Company's State C #3 is located 3300' South of the North line and 3300' West of the East Line of Section 16, T-21S, R-36E, Lea County, New Mexico. That it was originally completed in the Grayburg Formation on December 28, 1935 at a total depth of 3851' with 7" OD Casing set at 3748' and cemented with 150 sacks and is currently producing as an oil well.

2. That attached Exhibit "A" shows the location of said well and the surrounding wells and lease holders.

3. That the applicant now desires to dually complete caption well so as to produce oil from the Grayburg Formation through the tubing and gas from the Seven Rivers Zone through the casing-tubing annulus in the following manner:

- a. Perforate the 7" casing at approximately 3100' opposite the Seven Rivers Zone.
- b. Set a production type packer below the casing perforations at approximately 3700'.

4. That the manner and method of dually completing, which is shown in the attached diagramatic sketch marked Exhibit "B", is mechanically feasible and will prevent co-mingling of fluids from the two reservoirs.

5. That applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission and that copies of this application have been sent to the operators of all leases directly or diagonally offsetting the said State C Lease of the applicant.

It is therefore respectfully requested that the Commission grant the applicant permission to dually complete this well in accordance with the rules and regulations of the Commission.

Respectfully submitted,

Cities Service Oil Company

John D. Albright

District Engineer

cc:N.M.Oil Conservation Commission-Hobbs N.M.Oil & Gas Engr. Committee-Hobbs Offset Operators JDA:nts