



CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO

December 24, 1958

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

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

Re: Change of Well Dedication—Non-Standard
Gas Proration Unit, Jalmat Gas Pool, Lea
County, New Mexico

Gentlemen:

Cities Service Oil Company was assigned a 153.12 acre non-standard gas proration unit by administrative order NSP-450 to consist of the NW/4, NE/4, N/2 NW/4, and Lot 3, Section 32, T-26-S, R-37-E. The unit was dedicated to the State "O" No. 2, located 660' FNL, 1980' FEL, Section 32. This well is a dual completion from Upper and Lower Yates allowed by DC-688.

The State "O" No. 3 was drilled for oil from the Lower Yates 1980' FNL and 1980' FNL, Section 32, T-26-S, R-37-E, but was unsuccessful because of high water production. The well was plugged back and the Upper Yates perforated. The Upper Yates produced gas with a calculated open flow of 2.5 MMCF per day.

It is requested that the non-standard gas proration unit now be dedicated to the State "O" No. 3 and that DC-688 for the State "O" No. 2 be cancelled. The State "O" No. 2 will remain as an oil well producing from the Lower Yates.

A plat of the area and schematic diagram are attached. Copies of this application have been sent to all offset operators.

Very truly yours,

E. F. Motter
Asst. Division Engineer

EFM/gk
Attachs.