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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION
P. O. BOX 159, ARTESIA OFFICE
SANTA FE, NEW MEXICO 87501RECEIVED Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

SEP 07 '88

O. C. D.
ARTESIA, OFFICEREQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator MorOilCo., Inc.

Address P.O. Drawer I, Artesia, NM 88210

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	<input type="checkbox"/> Dry Gas
<input checked="" type="checkbox"/> Recompletion	<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Condensate
<input type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	

Other (Please explain) CASINGHEAD GAS MUST NOT BE FLARED AFTER 11/8/88

Allowable UNLESS AN EXCEPTION TO: RULE 306 IS OBTAINED

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Halcon State</u>	Well No. <u>1</u>	Pool Name, including Formation <u>Bone Spring</u>	Kind of Lease State, XXXXXX	Lease No. <u>KB3367</u>
Location				
Unit Letter <u>G</u>	: <u>1980</u> Feet From The <u>N</u> Line and <u>1980</u> Feet From The <u>E</u>			
Line of Section <u>26</u>	Township <u>19S</u>	Range <u>29E</u>	NMPM, <u>Eddy</u>	County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> <u>Navajo</u>	Address (Give address to which approved copy of this form is to be sent) <u>P.O. Box 159, Artesia, NM 88210</u>	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> <u>N/a</u>	Address (Give address to which approved copy of this form is to be sent) _____	
If well produces oil or liquids, give location of tanks.	Unit <u>26</u>	Sec. <u>19S</u>
	Twp. <u>29E</u>	Rge. <u>29E</u>
Is gas actually connected?	When <u>as soon as possible</u>	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

(Signature)

(Title)

(Date)

OIL CONSERVATION DIVISION
SEP 12 1988

APPROVED _____, 19 _____

BY Original Signed By
Mike Williams

TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

Post FD-2
9-16-88
comp BS

IV. COMPLETION DATA

Designate Type of Completion - (X)		Oil Well X	Gas Well	New Well	Workover X	Deepen	Plug Back	Same Res.v.	Diff. Res.v. X
Date Spudded 8/21/88	Date Compl. Ready to Prod. 8/31/88		Total Depth 8412'			P.B.T.D. 8372'			
Elevations (DF, RKB, RT, GR, etc.) KB 3367 - GL 3533	Name of Producing Formation Bone Spring		Top Oil/Gas Pay 7212' to 7420' 8088'			Tubing Depth 8020'			
Perforations 8088 - 8118						Depth Casing Shoe 8400'			
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT			
7 7/8"	5 1/2" casing		8400'			500 sxs premium			
	2 7/8" tubing		8020'			working			

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks September 1, 1988	Date of Test August 30, 1988	Producing Method (Flow, pump, gas lift, etc.) Swabbing	
Length of Test 24 hours	Tubing Pressure ---	Casing Pressure ---	Choke Size ---
Actual Prod. During Test 55 bbl's fluid	Oil - Bbls. 25	Water - Bbls. 30	Gas - MCF N/A

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size