

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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| OPERATOR | |
| PRODUCTION OFFICE | |

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 08-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
American Exploration Company

Address
2100 RepublicBank Center, Houston, Texas 77002

Reason(s) for filing (Check proper box)

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

Other (Please explain)

If change of ownership give name and address of previous owner Tesoro Petroleum Corporation, 8700 Tesoro Drive, San Antonio, Tex. 78286

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|----------------|---|--|-----------|
| Lease Name Hospah Sand Unit | Well No. 16 | Pool Name, including Formation Hospah Upper Sand | Kind of Lease State, Federal or Fee Fee | Lease No. |
| Location | | | | |
| Unit Letter 0 : Feet From The Line and Feet From The | | | | |
| Line of Section 36 Township 18N Range 9W , NMPM, McKinley County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|---|--|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Ciniza Pipeline | Address (Give address to which approved copy of this form is to be sent) P. O. Box 1887, Bloomfield, N.M. 87413 |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> | 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 Sec. Twp. Rge. Is gas actually connected? When |
| B 1 17N 9W | |

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.

Ray Quiroga
(Signature) Roy Quiroga

Production Administrator
(Title)

August 17, 1988
(Date)

OIL CONSERVATION DIVISION

AUG 26 1988

APPROVED _____, 19

BY *Ernest J. Shaw*

TITLE SUPERVISION DISTRICT # 3

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.