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Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Kerns Oil and Gas, Inc.		Well API No. 3003905098
Address 2340 N. Niagara Lane, Suite #2, Plymouth, MN 55447		
Reason(s) for Filing (Check proper box) ☐ Other (Please explain)		
New Well ☐	Change is Transporter of:	
Recompletion ☐	Oil ☐	Dry Gas ☐
Change is Operator ☒	12/1/89	Casinghead Gas ☐ Condensate ☐
If change of operator give name and address of previous operator Graham Royalty, Ltd., 1675 Larimer St., Suite #400, Denver, CO 80202		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Morelock Comm.	Well No. 1	Pool Name, including Formation Blanco Pictured Cliffs, S.	Kind of Lease State, Federal or Fed.	Lease No. SF 080345
Location Unit Letter L : 1650 Feet From The South Line and 990 Feet From The West Line Section 7 Township 23N Range 1W , NMPM Rio Arriba County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☐ NA	Address (Give address to which approved copy of this form is to be sent)					
Name of Authorized Transporter of Casinghead Gas ☒ or Dry Gas ☐ El Paso Natural Gas Company	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1492, El Paso, TX 79978					
If well produces oil or liquids, give location of tanks NA	Unit	Sec.	Trp.	Rgn.	Is gas actually connected? YES	When?

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

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res v	Diff Res v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (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 Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Testing Method (pump, beach pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature Shelby B. Kerns
Shelby B. Kerns - President
Printed Name
Date **December 7, 1989** (612) 475-0893
Telephone No.

OIL CONSERVATION DIVISION
DEC 19 1989

Date Approved _____
By James J. Sherry
Title **SUPERVISOR DISTRICT 13**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.