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| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATOR               |     |
| PRORATION OFFICE       |     |

NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form G-104  
Supersedes Old G-104 and G-105  
Effective 1-1-65

|                                                                |                                                                             |
|----------------------------------------------------------------|-----------------------------------------------------------------------------|
| Operator<br>Jack A. Cole                                       |                                                                             |
| Address<br>P. O. Box 191, Farmington, New Mexico 87401         |                                                                             |
| Reason(s) for filing (Check proper box)                        |                                                                             |
| New Well <input checked="" type="checkbox"/>                   | Change in Transporter of <input type="checkbox"/>                           |
| Recompletion <input type="checkbox"/>                          | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>               |
| Change in Ownership <input type="checkbox"/>                   | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |
| If change of ownership give name and address of previous owner |                                                                             |

|                               |                 |                                              |                                               |                    |
|-------------------------------|-----------------|----------------------------------------------|-----------------------------------------------|--------------------|
| DESCRIPTION OF WELL AND LEASE |                 |                                              |                                               |                    |
| Lease Name<br>Apache Hills    | Well No.<br>2   | Pool Name, including Formation<br>Ballard PC | Kind of Lease<br>State, Federal or Fee Indian | Lease No.<br>396   |
| Location                      |                 |                                              |                                               |                    |
| Unit Letter<br>KM             | 990             | Feet From The South                          | Line and<br>990                               | Feet From The West |
| Line of Section<br>8          | Township<br>23N | Range<br>3W                                  | NMPM, Rio Arriba County                       |                    |

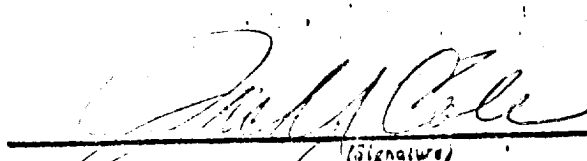
|                                                                                                                          |      |                                                                          |      |      |
|--------------------------------------------------------------------------------------------------------------------------|------|--------------------------------------------------------------------------|------|------|
| DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS                                                                        |      |                                                                          |      |      |
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>                    |      | Address (Give address to which approved copy of this form is to be sent) |      |      |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> |      | Address (Give address to which approved copy of this form is to be sent) |      |      |
| El Paso Natural Gas Company                                                                                              |      | P.O. Box 990, Farmington, New Mexico                                     |      |      |
| If well produces oil or liquids, give location of tanks.                                                                 | Unit | Sec.                                                                     | Twp. | Rgo. |
|                                                                                                                          |      |                                                                          |      |      |
| Is gas actually connected?                                                                                               |      | When                                                                     |      |      |
| No                                                                                                                       |      | ASAP                                                                     |      |      |

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. |
|                                                                          |                                                | X                    | X                       |           |                           |              |             |              |
| Date Spudded<br>2-25-78                                                  | Date Compl. Ready to Prod.<br>5-15-78          |                      | Total Depth<br>3352     |           | P.B.T.D.<br>3324          |              |             |              |
| Elevations (DF, RKB, RT, GR, etc.)<br>7478 Gr.                           | Name of Producing Formation<br>Pictured Cliffs |                      | Top Oil/Gas Pay<br>3233 |           | Tubing Depth<br>3265      |              |             |              |
| Perforations<br>3254-58; 3233-38; 3265-67; 3270-73; 3275-82 w/2 jets/ft. |                                                |                      |                         |           | Depth Casing Shoe<br>3351 |              |             |              |
| TUBING, CASING, AND CEMENTING RECORD                                     |                                                |                      |                         |           |                           |              |             |              |
| HOLE SIZE                                                                |                                                | CASING & TUBING SIZE |                         | DEPTH SET |                           | SACKS CEMENT |             |              |
| 12 1/4                                                                   |                                                | 8 5/8                |                         | 130       |                           | Circulate    |             |              |
| 7 7/8                                                                    |                                                | 4 1/2                |                         | 3350      |                           | 200          |             |              |

|                                                                                                                                                                                      |                 |                                               |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------|------------|
| 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) |                 |                                               |            |
| OIL WELL                                                                                                                                                                             |                 |                                               |            |
| Date First New Oil Run To Tanks                                                                                                                                                      | 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/MMCF      | Gravity of Condensate |
| 1150                             | 3 hours                    | None                       |                       |
| Testing Method (pitot, back pr.) | Tubing Pressure (Gauge-In) | Casing Pressure (Gauge-In) | Choke Size            |
| Pitot                            | 785                        | 785                        | 3/4"                  |

|                                                                                                                                                                                                              |  |                                                                                                                                                                                             |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| VI. CERTIFICATE OF COMPLIANCE                                                                                                                                                                                |  | OIL CONSERVATION COMMISSION                                                                                                                                                                 |  |
| I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief. |  | APPROVED _____, 19__                                                                                                                                                                        |  |
| Operator<br><br>(Signature)                                                                                                |  | BY Original Signed by A. A. Hendrick<br>SUPERVISOR DIST. #2                                                                                                                                 |  |
| TITLE _____                                                                                                                                                                                                  |  | 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 deviator tests taken on the well in accordance with RULE 111. |  |
| All sections of this form must be filled out completely for all wells on new and recompleted wells.                                                                                                          |  |                                                                                                                                                                                             |  |