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U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL GAS
OPERATOR	
PRODUCTION OFFICE	

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

Form C-104
Supersedes Old C-104 and C-110
Effective 1-1-85

B.K.

Operator Grace Petroleum Corporation	
Address 1515 Arapahoe, 3 Park Central, Suite 200, Denver, CO 80202	
Reason(s) for filing (Check proper box)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
Recompletion <input type="checkbox"/>	
Change in Ownership <input type="checkbox"/>	

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

II. DESCRIPTION OF WELL AND LEASE

Lease Name McBee "B"	Well No. 2	Pool Name, including Formation Lybrook Gallup	Kind of Lease State, Federal or Fee Federal	Lease No. SF078359
Location Unit Letter <u>L</u> ; <u>1780</u> Feet From The <u>South</u> Line and <u>790</u> Feet From The <u>West</u> Line of Section <u>7</u> Township <u>23N</u> Range <u>6W</u> , NMPLM, <u>Rio Arriba</u> 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"/> Merit Oil Corp.	Address (Give address to which approved copy of this form is to be sent) 300 W. Arrington Suite 300, Farmington, NM 87401	
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Gas Co. of New Mexico	Address (Give address to which approved copy of this form is to be sent) Box 750, Farmington, New Mexico 87401	
If well produces oil or liquids, give location of tanks.	Unit L	Sec. 7
	Twp. 23N	Rge. 6W
	Is gas actually connected? <input type="checkbox"/> When	

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

V. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input checked="" type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input type="checkbox"/>	Same Res'v. <input type="checkbox"/>	Diff. Res'v. <input type="checkbox"/>
Date Spudded 8-17-80	Date Compl. Ready to Prod. 11-26-80		Total Depth 5729		P.B.T.D. 5688			
Elevations (DF, RKB, RT, GR, etc.) 6962 KB	Name of Producing Formation Gallup		Top Oil/Gas Pay 5334		Tubing Depth 5365			
Perforations 5334-44 5386-96 5488-5506 5558-66 5612-16 56 holes 5362-74 5456-66 5526-42 5602-06 34" hole					Depth Casing Shoe 5729			
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12.25	8.625		332		180 sx + 2% CaCl2			
7.875	4.5		5729		225 sx 50:50:2+6.25#			
					gilsonize/sx + 7# salt			
					sx			

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 Tanks 11/6/80	Date of Test 11/26/80	Producing Method (Flow, pump, gas lift, etc.) 1.25" piston lift	
Length of Test 6 hrs.	Tubing Pressure 400	Casing Pressure 500	Choke Size NA
Actual Prod. During Test	Oil-Bbls. 4	Water-Bbls. trace	Gas-MCF 100

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

VI. CERTIFICATE OF COMPLIANCE

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.

Kim D. Laska
(Signature)

Operations Engineer
(Title)

12/03/80
(Date)

OIL CONSERVATION COMMISSION

DEC 11 1980

APPROVED _____, 19 _____

BY Original Signed by FRANK T. CHAVEZ

SUPERVISOR DISTRICT # 3

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 tested wells.